Daily Report

Latin America

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Cuba

Alarcon Meets With French Foreign Minister

FL1401170793 Havana Radio Rebelde Network in Spanish 1000 GMT 14 Jan 93

[Text] Cuban Foreign Minister Ricardo Alarcon de Quesada has expressed to French Foreign Minister Roland Dumas Cuba's gratitude toward France for rejecting the U.S. economic, trade, and financial embargo against Cuba. A French Foreign Ministry spokesman said Alarcon and Dumas met in Paris on 13 January and that during the meeting the French foreign minister reiterated the French Government's opposition to the U.S. embargo against Cuba. The two foreign ministers also discussed diverse bilateral relations issues and the current international situation.

Alarcon de Quesada will participate today, together with representatives from over 100 countries, in the signing ceremony for the treaty banning the production, storage, and use of chemical weapons. The agreement establishes a 10-year deadline, for nations with chemical weapons to eliminate them, and includes provisions for international in situ inspections in case of suspicion that chemical products are being made in any country.

French President Francois Mitterrand spoke at the opening session of the meeting, stressing its importance and significance and adding that France could extend its suspension on nuclear testing if other nuclear powers do not restart the testing.

Egyptian Foreign Minister Amre Moussa told reporters that the majority of the Arab states will not sign the Paris Convention if Israel does not sign the Treaty on the Non-Proliferation of Nuclear Weapons.

Speaks at Convention Signing in Paris

FL1501030293 Havana Radio Rebelde Network in Spanish 0000 GMT 15 Jan 93

["Full text" of speech by Foreign Minister Ricardo Alarcon de Quesada on the occasion of the signing of the Chemical Weapons Convention in Paris; date not specified—read by announcer]

[Text] The complete and effective outlawing of chemical weapons is the positive result of a long and complex negotiating process in which all our nations participated. It is a real disarmament measure, which eliminates a particular kind of weapon. Now we must make sure the agreement is strictly adhered to. Upon signing it, I must make reference to the particular situation of my country, a part of whose territory continues to be illegally occupied by a U.S. military base. The base is usurping Guantanamo Bay. The U.S. Government will be obliged to exclude chemical weapons completely from that base. We hope the said government and the rest of the signers will comply fully with this agreement.

However, we cannot be content with this achievement, obtained after several decades of negotiations. Chemical weapons are not the only weapons of mass destruction. There are more than enough reasons to demand a complete ban on nuclear weapons and all other means of mass destruction. It is unacceptable for only one type of weapons to be eliminated, while certain powers devote enormous resources to trying to produce and employ new instruments of annihilation.

Nothing justifies militarism and an arms race today. Nor can anything explain it, except pretensions to hegemony and domination mania. If peace is truly desired, the so-called Cold War must not be followed by a new colonial order. To prevent this, it is indispensable to guarantee the rights of all nations without exception, and to respect their independence, sovereignty, and territorial integrity.

True disarmament is a goal that is still far off. Yet attaining total disarmament would not suffice to bring about universal peace. Universal peace requires much more. Hunger and extreme poverty also constitute weapons of mass destruction that kill millions of people in Africa, Asia, Latin America, and the Caribbean. Banning them is a need that must not continue to be ignored. The peoples of the Third World will continue to demand (?that an end be put to these things).

More than speeches, what is needed is a real will to pay heed to that complaint.

Jamaican Union Leader Meets With CTC Directorate

FL1401170993 Havana Radio Reloj Network in Spanish 1508 GMT 14 Jan 93

[Text] We are facing a common struggle against the current world circumstances in response to the economic restrictions of small countries, which affect workers and their families. That is what Hugh Shearer, the president of the Jamaican Industrial Trade Union, said in a meeting with union leaders at the Cuban Workers Federation [CTC] headquarters in Havana.

In this regard, CTC Secretary General Pedro Ross Leal pointed out the need to begin building unity from the base level with new concepts, eliminating old ideas that separate Caribbean workers. Hugh Shearer made several suggestions to the top CTC leadership about a joint effort to achieve their goals to overcome underdevelopment in the area.

General Meets With Paraiso Agricultural Youth

FL1401193093 Havana Radio Rebelde Network in Spanish 1800 GMT 14 Jan 93

[Text] Division General Ulises Rosales del Toro has met with youths who are going through their Union of Young Communists cadre school at the Paraiso Agricultural Camp in Guines Municipality, Havana Province. The chief of the general staff referred to the tasks of the

Revolutionary Armed Forces [FAR] during this special period in peacetime and the efforts to keep weaponry and technology in perfect condition and to ensure complete combat readiness for whenever it may be necessary.

The Politburo member also spoke of the work being done in the FAR for the troops' food self-sufficiency as well as their participation in building fortifications. Rosales del Toro affirmed that discipline, cohesion, and combat readiness during this exceptional period have reached exceptional levels. He stated that the attitude of the troops is truly exemplary, and that today the FAR are more than ever in a position to carry out any mission.

He added: This demonstrates the enormous capabilities of our people because, in our case, as Camilo [Cienfuegos] said, the Army is the people in uniform. A revolution cannot defend itself with just the regular Army. Its shield and safeguard are the people themselves. This is your Army.

Roa Kouri Appointed to UNESCO Ambassador Post

FL1401133593 Havana Radio Rebelde Network in Spanish 1200 GMT 14 Jan 93

[Text] The Council of State has appointed Comrade Raul Roa Kouri as the permanent Cuban ambassador to UNESCO. At the time of this appointment, Comrade Roa Kouri was the vice minister of the Ministry of Foreign Relations.

Roundup of Economic Activity Reported 12 - 14 Jan

FL1401133393

[Editorial Report] The following is a compilation of fileworthy reports on economic developments in Cuba carried on Havana radio and television in Spanish between 12 and 14 January.

Camaguey Province's labor movement has described as very effective the work of over 2,500 members of the Jesus Suarez Gayol Canecutting Brigade, which has harvested over 13 million arrobas in the 57 days since beginning the harvest. Gustavo Cruz, Cuban Workers Federation secretary general in Camaguey, stressed that the 71 mobilized brigades are surpassing the daily productivity goals.

During a local industries analysis meeting, Jaime Crombet, a Central Committee member and vice president of the Council of Ministers, announced that creation of home work groups is a priority task of local industries to boost this labor method and use scraps from factories. Over 1.5 million pesos were contributed to the export sector during 1992. [Radio Rebelde Spanish 1000 GMT 12 Jan]

The health services in Pinar del Rio Province have been praised. The report notes that 28.5 percent of operations performed in 1992 were done as outpatient surgery; worker efforts enabled them to recover more than 2,000 instruments, 120 machines, and over 600 pieces of medical furniture; and a retinitis pigmentosa center was opened at the end of 1992. [Radio Reloj Spanish 1500 GMT 12 Jan]

The ship pilots' station in Caimanera, Guantanamo Province, earned more than 151,000 pesos for the country's economy in 1992. Of this figure, 107,000 was in hard currency. The station consumed 6.7 tons of fuel, more than 50 percent less than in 1991.

The Pinar del Rio Provincial Energy Commission is working out the details for the state program, to better use alternative energy sources. The amount of bagasse, cane straw, biogas, peat, rice husks, and hydroelectricity to be used will represent close to 214,000 tons of alternative fuels per year. [Radio Reloj Spanish 2030 GMT 12 Jan]

In 1992, members of the Youth Labor Army, EJT, harvested more than 195,000 quintals of pineapples, which is more than 50 percent of the pineapple produced in Ciego de Avila Province. The EJT members also planted more than 33 caballerias of pineapple. This year, the pineapple enterprise in Ciego de Avila hopes to harvest about 450,000 quintals of pineapple from 111.5 caballerias. [Radio Reloj Network Spanish 2030 GMT 12 Jan]

The Artemisa Cement Factory is making technological modifications in preparation for burning Cuban crude oil from Varadero. The factory had already been prepared to burn the crude oil from Jaruco, but the crude from Varadero is heavier. These technological modifications pertain mainly to storing and pumping the oil, supplying heat to liquify it, and to protective facilities. The cement factories in Siguaney, Santiago, and Nuevitas are already burning Varadero crude. Tests will also begin this year in the dry-process plants in Cienfuegos and Mariel. This is part of the nation's overall energy strategy, aimed at progressively recovering production volumes while eliminating dependency on imported fuels.

The workers of the Sur de Jibaro Rice Complex in Sancti Spiritus Province are planning to harvest over 2.7 million quintals of rice this year. The rice produced in Cuba is not sufficient to meet the national demand, so a good part of the rice supply must currently be imported. [Havana Tele Rebelde and Cuba Vision Spanish 0100 GMT 13 Jan] Of the eight sugarcane mills in Santiago de Cuba Province, five are already producing sugar from the current harvest. Of the 6,000 cane cutters needed, 3,200 are already working. [Radio Reloj Spanish 0338 GMT 13 Jan]

A new 110-kilowatt-hour electric substation has been inaugurated; it will improve electric service to the Santa Lucia tourist hub and other areas. In Cienfuegos, Electric Workers Day will be celebrated on 14 January, highlighting efficiency in carrying out monthly plans. The generating center contributed 3,900 megawatts to the national electricity system by reducing costs, and has reduced fuel consumption by 2,000 tons. The electricity generation center has two generating stations, completed

during a difficult period. [Radio Rebelde Spanish 1000 GMT 13 Jan] The Sugar Ministry said the expected level of efficiency in the harvest has not been achieved in the first 10 days of January: the provinces of Sancti Spiritus, Santiago de Cuba, and Las Tunas have improved levels, with Cienfuegos in the lead, with an 85.26-percent sugar recovery level.

In Matanza a railway workshop in Cardenas recovered more than 7,000 tons of steel scrap for export, in honor of National Railway Workers Day. Also, 686 spare parts, worth more than 7,600 pesos, were repaired; 93 railway vehicles were dismantled to obtain material; and the freight wagon repair plan was surpassed by 3 percent. Pinar del Rio Province produced 30,000 tons of worm compost in 1992, which represents 40 percent of that produced by the country. The compost is used for tuber, vegetable, and tobacco crops. [Radio Rebelde Spanish 1800 GMT 13 Jan]

Inter-Caribbean Affairs

Development Bank Sees 'Bleak Prospects' for 1993

FL1401195493 Bridgetown CANA in English 1824 GMT 14 Jan 93

[By Reudon Eversley]

[Text] Bridgetown, Barbados, Jan 14, CANA—The Caribbean Development Bank (CDB) on Thursday reported "generally poor economic performance" across the region last year and said prospects for 1993 were not encouraging. However, CDB President Sir Neville Nicholls said the bleak forecast did not mean there was no hope for the region. "...The Caribbean still has too much going for it to be without hope," he told reporters.

At a news conference called to review the CDB's performance in 1992, Sir Neville said the region's immediate prospects depended a lot on what happens in the recession-hit global economy. Increased growth in North America and Europe, the Caribbean's main international trading partners, could provide "much needed stimulus" for the region's economies, he said, especially where tourism was concerned.

Sir Neville said adoption of appropriate macroeconomic policies by Caribbean countries, including keeping manageable fiscal deficits, was also critical to the region's recovery.

According to provisional data, Guyana and Belize, each with an expansion in output of around 7 per cent, had the best economic performance among CDB borrowing member countries last year. Anguilla, Montserrat, Dominica, and Barbados had declines while growth rates below 4 per cent were recorded in all the other countries.

High unemployment, in excess of 20 per cent in several cases, was endemic across the region—a result of both the international recession and domestic adjustment in some countries which caused economic contraction. Sir Neville saw unemployment as one of the region's most critical issues over the medium term but held out little hope of an ease in the situation with the downsizing of the public sector and the lack of competitiveness facing the private sector. In seeking to bring down unemployment, Sir Neville said, the "real issue" confronting some Caribbean countries was a choice between high wages and high unemployment.

Sir Neville said an issue Caribbean Community [Caricom] countries needed to address urgently was their relationship with the emerging North American Free Trade Area [NAFTA], currently involving Canada, the United States, and Mexico. While acknowledging some regional fears about NAFTA, including the collapse of some industries, were valid, Sir Neville said Caricom still "cannot afford" to stay out because of its high dependence on North American export markets.

"What Caricom, in my view, has to try to do is to negotiate with that area appropriate phasing-in periods for sensitive industries and sectors and that has already been done by the three signatories (of NAFTA) among themselves.

"...The longer that Caricom stays out of the North American Free Trade Area, the more countries it will have to negotiate with in that area (and) the more difficult it will become to negotiate proper, appropriate phasing-in arrangements," the CDB president warned.

CDB last year saw a decline in gross loan approvals to U.S.79.5 million dollars from U.S.108.9 million in 1991. Net loan approvals after cancellations also went down to 70.7 million dollars from 108.6 million in 1991.

Thirteen new project loans were approved for eight countries and one regional loan for the University of the West Indies. In 1991, there were 18 new project loan approvals for 12 countries. There was a sharp increase in grant approvals, which jumped from 26 totalling 2.8 million dollars in 1991 to 47 totalling 19.8 million in 1992. Total disbursements for 1992 amounted to 60.9 million dollars, up from 53.8 million in 1991. The region's less developed countries continued to benefit from the larger share of CDB financing. They received 57.4 per cent of 1992 disbursements.

Barbados

Sandiford Expects No Successor Program With IMF

FL1401234093 Bridgetown CANA in English 2211 GMT 14 Jan 93

[By Colin King]

[Text] Bridgetown, Barbados, Jan 14, CANA—Barbados, experiencing another year of economic decline in 1992, does not expect to enter a successor programme with the International Monetary Fund when the current 15-month standy facility ends in May 1993, Prime Minister Erskine Sandiford said Thursday.

"My government has no plans to enter into a successor IMF- supported economic adjustment programme, barring any unforseen circumstances.

"Similarly, I do not envisage that Barbados will enter into any extended fund facility programme with the Fund," Sandiford, who is also minister of finance, said in a statement to Parliament on the economy.

There was continued decline in real output in 1992, Sandiford said, giving no indication of the magnitude of decline but attributing the contraction to "sluggish recovery in the world economy" and continued tight fiscal and monetary policies by government.

He said unemployment also continued to be a source of worry, rising to a level of just under 23 per cent by the last quarter of 1992. However, the prime minister told Parliament the government had been meeting all IMF targets, and had completed or started working on nearly all programmes and policies earmarked for implementation in its adjustment programme.

"What I can say with confidence is that we are currently on the road which leads to the structural adjustment phase of the recovery programme," Sandiford said.

Barbados will continue to "work closely with the (IMF) as we aim to keep an appropriate and prudent macroeconomic framework in place" and will continue discussions with the Inter-American Development Bank (IDB) and World Bank for resources for structural adjustment and sectoral reforms.

Sandiford said government's programme in 1993 will include:
—a strong incomes policy based on a freeze in public and private sector wages, except where increases are linked to productivity and profit sharing and in respect of the restoration of a legislated 8 per cent cut in public sector pay.
—public sector reform including institutional reform and privatisation.
—indirect tax reform involving the implementation of a Value Added Tax (VAT) system replacing the current system based on consumption taxes.
—restructuring of tourism promotion agencies and launching of a new government-backed tourism marketing programme.
—establishment of a "viable management system" for highly indebted sugar factories, now in receivership, and highly indebted plantations.

Sandiford Waives Duties; Increases Gasoline Tax

FL1401232093 Bridgetown CANA in English 2128 GMT 14 Jan 93

[Text] Bridgetown, Barbados, Jan 14, CANA—Prime Minister Erskine Sandiford Thursday waived 13 million dollars (1 Barbados dollar = 50 U.S. cents) in stamp duties and taxes for manufacturers and hoteliers but raised consumption taxes on gasolene and diesel to recoup the lost revenue. Waived, effective January 1, are the stamp duty on materials for manufacturing, consumption taxes on equipment and machinery for manufacturing, and stamp duty on items used in hotel refurbishing and on toiletries purchased by hotels.

From Friday, consumption tax on gasolene increases 25 per cent and on diesel 15 per cent, equivalent to tax increases of 65 cents per gallon on gasolene and 36 cents per gallon on diesel. Gasolene previously retailed around 5.30 dollars per gallon.

Sandiford, in a statement to Parliament, said the consumption tax measures would compensate for the 13 million dollars per annum cost of the waiver and he linked the measures to his government's overall structural adjustment programme and specifically to a planned reform of indirect taxation.

He said his cabinet has decided to implement a Value Added Tax (VAT) to replace the current indirect tax regime, the new system expected to be fully operational in two years.

"Given the need for specific tax reform measures to be implemented before that time in keeping with government's programme for adjustment, the cabinet has also decided that in the interim certain measures should be implemented to assist the productive sectors of their economy in their effort to return to a path of growth," Sandiford said. He then announced the tax and duty waivers.

Grenada

Prime Minister Brathwaite on Party, Economy

FL1401204493 Bridgetown CANA in English 1850 GMT 14 Jan 93

[By Ric Mentus]

[Text] St. George's, Grenada, Jan 14, CANA—Three years into its five-year term of office, the ruling National Democratic Congress' [NDC] leader, Prime Minister Nicholas Brathwaite, admits the party "is not as closely knit as it was going into the last general election in March 1990." And the reason for this, he told CANA, was that the country had found itself in a very difficult fiscal situation.

"In a sense, the last election was not a good one to win, because the way things touch people's pockets, that is the guiding principle and that has been our problem," he said.

He referred to the debt service levy which the government introduced in 1991 at 10 per cent on salaries and wages to help offset the country's national debt of EC324.9 million dollars (1 East Caribbean dollar = 37 U.S. cents) at the end of 1992. In the 1993 budget, this levy has been extended to dividends. This is part of a structural adjustment programme "committed to the objectives of economic management, sustainable real

growth, expanding and lasting employment opportunities, stable prices, and a viable external position."

But the impact on the lives of the people has been mainly unfavourable for the government, and the fact that the NDC has only seven of the 15 seats in the House of Representatives, puts it in a difficult political position. The three other members on the government side are defectors from the Grenada United Labour Party [GULP] (two) and one from the National Party.

The opposition members are also of several strains. The leader of the opposition, Mrs. Winifred Strachan, has the distinction of being perhaps the only person to hold that post without any party affiliation, as she was expelled from GULP after the 1990 election.

At the workplace, president of the Grenada Trades Union Council, Eric Pierre, said that unemployment was estimated at 30 per cent of the work force, and with planned retrenchments in the public service and other areas, he expected the figure to grow. He said he had not seen any programme from the government which would create employment.

"There are promises of building projects to be started soon. But we have had promises before and nothing has happened," he complained.

"All we have seen the government do so far is to take off some taxes here and there, but this is not really going to put more money in circulation to create jobs, because although (Brathwaite) has made a plea to merchants to pass the resulting savings on to the consumers, there is no guarantee this will be done. In my opinion, the merchants will simply fill their pockets some more."

The leader of the Maurice Bishop Patriotic Movement (MBPM), Cuban trained medical doctor Terry Marryshow, also complained about the adverse effects of economic pressures, particularly among the youths.

"I have noticed these days," he said, "that more and more young people are talking about revolution, saying the word without recognising what it means. I think it is really an expression of their frustration, because things have become so hopeless in this country, especially for the youths."

Marryshow said he believed young people were yearning for the type of government the People's Revolutionary Government [PRG] had provided, "because of the dismal performance of the governments to date since 1983."

He added: "More and more people are beginning to realise that the best period Grenada ever had politically, economically, and otherwise, was during the four and a half years of PRG rule." But he admits the MBPM has had very poor showings at the two elections it contested in 1984 and 1990. In fact, the second results were even worse than the first.

Yet he feels confident the movement is gathering support because a survey done last year showed the MBPM had the support of 22 per cent of the people in two parishes and at least 5 percent in the rest of the island, which was much better than the 2.5 per cent support it got in the 1990 election.

But Brathwaite does not believe the MBPM will do any better in future elections than it did in the past. "I don't believe they will ever get the kind of support to make them a significant factor in determining parliamentary representation," he said.

He felt that Sir Eric Gairy, who heads GULP, still had enough "die-hard" followers to allow him to win enough seats to "become a force in deciding the formulation of the government."

"Natural attrition", however, will eventually wipe away that support, he felt.

Mrs. Strachan too felt the MBPM's talk of a political comeback was "illusionary." She said Bishop had failed as a leader. "The people felt he would have called an election and demonstrated his statesmanship, but he didn't. Instead, he got closer and closer to Cuba, and the Cuban ambassador here was in total control of the island," she remarked.

Marryshow sees it differently though he concedes with the advantage of hindsight that Bishop should have called an election as the international community had been asking. His assessment of the situation is that "Bishop was a man overpowered by a group of extremists, fanatics, who were ultra-leftists prepared to do anything, including eliminating the most popular man in the country."

He called the bloody takeover by the Bernard Coard group "a systematic hijacking of the party (the New Jewel Movement) and the government." Bishop believed they were genuine party faithfuls, but they had their own agenda and belonged to a group that responded only to Coard even before the PRG took office.

Haiti

Army Denies Agreement on Aristide's Return

FL1401170093 Port-au-Prince LE NOUVELISTE in French No 34,458 13 Jan 93 p 1

[Text] Final Hour News. Port-au-Prince 13 Jan (AFP). An authorized source of the Army High Command asserted on 13 January that the High Command quote, was not aware of a written document, unquote, dealing with the return of President Jean-Bertrand Aristide, quote, and even less with its signature by the Army. Moreover, it [the Army] does not have the authority to sign such a document, unquote.

THE WASHINGTON POST, citing some unidentified sources in Washington and in Port-au-Prince, asserted on 13 January that the Haitian military high command had given the United Nations a signed document in

which it accepted the return of Father Aristide, ousted in September 1991 by a military putsch. In exchange, according to the newspaper, President Aristide would have to provide total amnesty for actions related to the coup d'etat and choose a prime minister from a list submitted by the opposition.

The AFP source said, quote, this kind of rumor is of the nature of spreading trouble and hampering the search for a negotiated and favorable solution to the crisis unquote.

No Legal Action Taken Against Elections by Parties

FL1401224093 Port-au-Prince Radio Metropole in French 1700 GMT 14 Jan 93

[Excerpts] The legal action announced by a group of eight political parties against the electoral process has not been advanced. These parties, including the National Agricultural and Industrial Party, the Mobilization for National Development, and the National Cooperative Action Movement, intended to obtain from the Justice Department a condemnation of the process, which they consider illegal and unconstitutional. However, until now, the case has not been submitted to any institution. Edner Jean provides the following report.

[Begin Jean recording] As yet, nothing has been issued concerning this legal action. No document, no complaint has been received at the Audit Court, the clerk's office of the First Instance Court, or the Court of Cassation. The doyen at the First Instance Court told Radio Metropole that he heard about this case only through the media and that up until 13 January, this case was totally unknown to him. [passage omitted]

For their part, the authorities at the Audit Court refrained from commenting on this initiative announced by the eight political groups. Court President Max Pean, while refusing to tell us the procedures to follow for the impeachement of the electoral council, simply confessed that he was advised about this decision only a few hours ago and that he was still waiting for the papers to be submitted. Lawyer (Mibel) Jean-Baptiste, government commissioner to the Court of Cassation, commented that there is no jurisdiction in our legislation providing for the unconstitutionality of a law or an institution. However, no document of this kind has been pursued at the High Court of Justice. Lawyer Jean-Baptiste explains that the action regarding the unconstitutionality of a law is an incidental request. [passage omitted]

In 1990, former President Leslie Manigat introduced an action in the civil court in Port-au-Prince against the electoral council at that time. Ousted from the presidential race, Leslie Manigat had raised the unconstitutionality of the electoral law. We know the results. [end recording]

Borrego Swears in New PRI Secretary General

PA1401180193 Mexico City Canal 13 Television Network in Spanish 1300 GMT 14 Jan 93

[Report by Hector Guerrero Seciliano]

[Text] Genero Borrego Estrada, president of the National Executive Committee of the Institutional Revolutionary Party, PRI, swore in Jose Luis La Madrid Sauza as the party's new secretary general after Beatriz Paredes Rangel formally resigned.

[Begin Borrego recording] I propose Jose Luis La Madrid as new secretary general of the PRI National Executive Committee. [end recording]

Before 144 of the 157 members of the PRI National Political Council, the new secretary general stated his commitment to continuing the acts being taken by PRI members, based on the ideological principles the party has maintained for six decades.

[Begin La Madrid recording, broadcast in progress] ...my contribution to the task being carried out by the party and all its members, the party's structural reforms, and as conducting a steadfast democratic struggle in the electoral process. [end recording]

Beatriz Paredes thanked the members of the Executive Committee, stressing that with Genaro Borrego they represent a real force within the party.

Genero Borrego proposed Humberto Lugo Gil as coordinator of the council's National Electoral Commission, replacing Enrique Olivares Santana, who was appointed Mexico's ambassador to the Vatican. He recommended the renewal of 16 council members and the creation of the deputy secretariats needed to support the party.

Announces Organizational Changes

PA1401193593 Mexico City XHTV Television Network in Spanish 0200 GMT 13 Jan 93

[Text] Genaro Borrego Estrada, president of the National Executive Committee of the Institutional Revolutionary Party [PRI], announced changes in the party's leadership to consolidate its organizational reforms.

Sammy David David was appointed secretary of regional coordination replacing Senator Hector Hugo Olivares Ventura; Carlos Galvez Herrera was appointed social affairs secretary replacing Jose Murat; and Sergio Candelas Villalba was appointed deputy secretary of information replacing Hector Gandini Estrada.

The new leaders will be installed on 13 January.

Borrego Estrada announced in a press communique that on 13 January he will propose the creation of deputy secretariats in areas requiring support to maintain permanent contact with regional organizations and PRI members.

Labor Party Leader Killed in Naucalpan

PA1401043693 Madrid EFE in Spanish 0150 GMT 14 Jan 93

[Text] Mexico City, 13 Jan (EFE)—Heron Escobar, a spokesman for the Labor Party [PT] of Mexico, announced that PT leader Rafael Padilla Samaniego was shot to death on 13 January at the door of his residence in Naucalpan Municipality, Mexico State.

Escobar said: "We demand that this crime, which occurred at 0400 (1000 GMT), be cleared up immediately regardless of the motives behind it."

Escobar noted: "We do not know if he was arriving at his residence or if he was forced out of it or whether the assassination was carried out by more than one person." He reported that the PT has formed a commission to investigate what happened.

The PT, the Mexican Democratic Party, and the Mexican Ecological Party on 13 January were officially recognized by the Federal Electoral Institute as organizations authorized to participate in future elections.

Escobar, a member of the PT National Political Committee, did not discard the possibility of his party forming in the future an alliance with the Party of the Democratic Revolution [PRD], Mexico's third most important political force.

The PRD is the opposition party that has suffered the greatest number of murdered militants since its creation in 1989: 50.

Heron Escobar complained: "Padilla's death is a terrible loss for PT, which will participate in all state, gubernatorial, congressional, and mayoral elections this year."

Costa Rica

Government Recognizes Slovak Republic

PA1401215393 Mexico City NOTIMEX in Spanish 0035 GMT 14 Jan 93

[Text] San Jose, 13 Jan (NOTIMEX)—The Costa Rican Foreign Ministry reported on 13 January that the government had recognized the Slovak Republic as a state that resulted from the Czechoslovak Federation's breakup.

The Foreign Ministry added that when the Czechoslovak Federation disintegrated, "Costa Rica decided to continue its diplomatic relations with the Slovak Republic based on the norms and principles of international law, which regulate the peaceful coexistence of states."

Costa Rica expects "this recognition will strengthen the ties of friendship between both countries and will allow both governments to initiate joint programs in favor of democracy and development," the Foreign Ministry stated.

El Salvador

Shafik Handal, Villalobos Confirm Rifts in FMLN

PA1501130993 San Salvador Radio Venceremos Network in Spanish 1800 GMT 14 Jan 93

[Text] The differences among the leaders of the Farabundo Marti National Liberation Front [FMLN], which have been an open secret among local political and journalist circles, were confirmed by Jorge Shafik Handal, coordinator of that new political party. Shafik Handal said it is good they are being discussed publicly.

Although Shafik Handal is the coordinator of the now legally registered political party, he is also the main leader of one of the five organizations that form the FMLN, the Communist Party of El Salvador.

Although the other four organizations that form the FMLN have not announced their position on the Armed Forces purge, the People's Revolutionary Army, ERP, headed by Joaquin Villalobos, issued a communique admitting differences do exist.

The ERP communique states that the differences attest to the positive expression of the diversity of interests and political concepts within Salvadoran society. Leftist and center-right wing political sectors accused the FMLN of negotiating, under the table, the purge of 112 officers who were investigated by a special commission that recommended their transfer or retirement from the institution because of their alleged participation in human rights violations.

The former guerrilla movement and the government denied having negotiated, but admitted to having held talks about the time allowance for purging the Army officers.

Arena Reports Mayor Kidnapped by FMLN Members

PA1401195893 San Salvador Radio Venceremos Network in Spanish 1800 GMT 14 Jan 93

[Report by Carmen Virginia Guzman]

[Text] A few minutes ago we heard the statements of Armando Calderon Sol, president of the Nationalist Republican Alliance, Arena. He and the Arena political committee reported the kidnapping of Vidal Canales, mayor of Concepcion de Oriente in northern La Union Department. It was reported that Canales was allegedly kidnapped by members of the Farabundo Marti National Liberation Front, FMLN, and the Codelum community organization in the past hours.

Armando Calderon Sol said the mayor had been tied up, humiliated, and taken through the city to see if he was going to be executed. Arena, representing the kidnapped mayor, has taken the necessary actions and has contacted Igbal Riza, chief of the UN Observers for El Salvador mission, who is sending a team to investigate the case. Calderon Sol asked Salvadoran political forces to condemn the incident as it threatens the peace process. He also asked public forces to control criminal actions such as the kidnapping of Mayor Canales by alleged FMLN members. We are contacting Codelum members to see if they have any more information on the kidnapping of Vidal Canales, mayor of Concepcion de Oriente, an area that has suffered the consequences of war for more than 10 years. Codelum is a nongovernment community organization.

Guatemala

Defense Minister Rejects CUC Proposal

PA1501045893 Mexico City NOTIMEX in Spanish 0409 GMT 15 Jan 93

[Text] Guatemala City, 14 Jan (NOTIMEX)—The Defense Ministry has termed as "cowards, clowns, and lackeys" the members of the Committee for Peasant Unity (CUC) who requested the dismantling of civilian self-defense patrols, which are made up of more than 800,000 peasants.

The military has thus responded to the CUC proposal, hours after President Jorge Serrano Elias accepted "an international verification of human rights in exchange for the guerrilla groups' acceptance to negotiate a firm and durable peace agreement."

According to the military, the CUC and the Guatemalan National Revolutionary Unity (URNG) mock the subhuman conditions in which peasants currently live as "victims of terrorist actions."

The Defense Ministry broadcast messages over the radio and said "the subversive organization which the CUC

comprises deceives rural communities because, while Indians live in extremely poor conditions, its leaders live a life of luxury abroad."

The report adds: It seems that "modern ethnic traitors have emerged as they did 500 years ago, betraying their own people and losing their dignity as true Guatemalans by birth and at heart."

The Defense Ministry explained that it accepted the creation of civilian defense committees to defend peasant communities.

It explained that many communities were tired of being subject to a brutal terrorist aggression so they sponsored the creation of the civilian self-defense committees (militarized organizations).

The Army said the committees are deceiving no one, that they act in the daytime as well as at night to defend their communities from criminal actions by members of the URNG and its allies, such as CUC.

The Army said the peasants who belong to the CUC are mistaken because they are at the "dishonorable service of the terrorist subversion."

With this statement, the Army indirectly referred to 1992 Nobel Peace Prize winner Rigoberta Menchu, a CUC leader.

The Army said the URNG has sowed violence from Panzos to the Ixil Triangle, in the country's north, and in the Peten plains, the home of the Mayas, and it has harvested storms.

In pointing to the voluntary Civil Self-Defense Committees as "the pride, heart, and life of the Guatemalan Indians," the Army exclaimed: What are you afraid of now. Do not cry like women about that which you were unable to defend as men.

On 14 January President Jorge Serrano, in a conciliatory move, asked the guerrillas to negotiate a peace agreement within 90 days.

The president proposed that if an agreement cannot be signed during that period of time, that "a definite cease-fire" be decreed.

Defense Minister Garcia Reacts to URNG Communique

PA1501140593 Guatemala City PRENSA LIBRE in Spanish 13 Jan 93 p 3

[Excerpt] [Passage omitted] Defense Minister Jose Domingo Garcia Samayoa said on 12 January that the subversive groups want to show their presence through demagogic activities, in reference to a paid advertisement from the Guatemalan National Revolutionary Unity criticizing the government and the Army.

You are aware that subversive types only seek ways to act out the violence they bear in their hearts, said the high-ranking military chief. In the paid advertisement, the rebel command states that "the respect and validity of human rights in Guatemala is urgent and not postponable. That is why it is included in the first point of the negotiating topics between the government and the guerrillas. It is an unavoidable topic, both in its content and in its immediate application."

Garcia Samayoa reiterated that the insurgency has displayed its violent mentality for over 30 years by killing many Guatemalans. The military officer added that "we are willing to negotiate, to seek the vindication and identity of Guatemalans, and want to enjoy the peace to which we have a right."

Power Towers Blown Up in Capital, Escuintla

PA1401194193 Guatemala City SIGLO VEINTIUNO in Spanish 14 Jan 93 p 3

[Text] Three power towers in Guatemala City and two towers in villages in Escuintla Department were blown up on 13 January, resulting in power outages in various parts of the city and towns along the southern coast.

The Army reported that on the morning of 13 January, two towers were blown up in the villages of San Miguel Las Flores and San Vicente El Baul, Santa Lucia Cotzumalguapa Jurisdiction, Escuintla Department.

A 2-30 KB power tower of the Guate-Norte station, Kennedy Neighborhood, Zone 18, was also blown up in Guatemala City at approximately 2000.

Members of the National Police, the National Emergency Committee (CONE), the fire department, and the power company arrived at the scene.

Local residents said the strong explosion, which was heard in very distant places, frightened everyone.

Enrique Espana, a station employee, said the explosion damaged the tower structure beyond repair, therefore service pylons will have to be installed before the power is back on.

Psychosis of Bombs and Disorders in the Capital

Numerous bomb threats in various parts of the capital followed the latest explosion such as the ones in Calzada Aguilar Batres, Petapa Avenue, and the Monte Real Neighborhood, Zone 4, in Mixco.

Juvenile delinquents took advantage of the darkness to stone private vehicles and city buses in Lo de Bran, La Florida, Primero de Julio, and others neighborhoods in Zone 18.

According to reports we received, vandalism in Carolingia Neighborhood, Zone 6 of Mixco, could not controlled so additional members of the National Police had to be called.

The Army reported that subversives had set up an attack post between the Camelias and El Mirador villages, La Libertad Municipality, Peten Department.

The rebels stopped traffic, including three trucks carrying 3,000 gallons of crude oil each. The fuel was spilled on the side of the road. Members of Military Zone No. 23 are combing the area searching for the those responsible.

Congress Elects President, Board Members

PA1501005793 Guatemala City Teleonce Television in Spanish 2100 GMT 12 Jan 93

[Text] The Guatemalan Congress elected Jose Fernando Lobo Dubon, of the Guatemalan Christian Democracy [DCG], as congress president on 12 January.

The slate, composed of deputies from the DCG, the Union of the National Center [UCN], and the Solidarity Action Movement [MAS], won again. This was a repeat of the November 1992 election that was annulled following complaints lodged by the National Vanguard Party [PAN] and the Guatemalan Republican Front [FRG].

The PAN and the FRG on 12 January presented their own slate led by Luis Flores Asturias. The DCG-UCN-MAS alliance, however, won the election with 88 votes to 19, despite the fact that the PAN and the FRG had the last minute support of the so-called National Front for Change [FNC]. The FNC is made up of dissident UCN members. It was noted that the slate led by Lobo Dubon won by two more votes than in the previous election.

Ernesto Contreras Ramos (UCN), Herlindo Alvarez Del Cid (MAS), and Diego Lopez De Leon (MAS) were elected Congress vice presidents. Roberto Paiz Bolanos (MAS), Mario Hugo Miranda (DCG), Dimas De Leon Paredes (UCN), Carlos Arroyave (MAS), Eduardo Matute (DCG), Fernando Pereira Gudiel (UCN), Eduardo Tager (Independent), and Julio Diaz Chay (UCN) were elected Congress secretaries.

Nicaragua

Interview with Alfredo Cesar

PA1401205393 Managua Radio Catolica in Spanish 1400 GMT 13 Jan 93

[Interview with Alfredo Cesar Aguirre, secretary general of the Social Democratic Party of Nicaragua and former National Assembly president, by Luis Mora Sanchez on the "Topics and Debates" program—live]

[Excerpts] [Mora Sanchez] Mr. Cesar: Undoubtedly, the topic of the political situation in Nicaragua continues to cause shock inside and outside the country. The economic measures announced by the government a few days ago, just three days ago, have represented a 20 percent devaluation of the dollar.... [pause] of the cordoba in relation to the U.S. dollar. This is 20 percent that we Nicaraguans are gaining, or rather, failing to receive with the loss of the cordoba's purchasing power. There are new rates for water, electricity, telephone services, transportation, and medication. The same goes for rice, beans, sugar, and soap; everything costs more.

All of this happened one day after there was some sort of a grand circus in the Nicaraguan National Assembly. This happened after the National Assembly was taken over by the military and a de facto leadership had been installed. That leadership is the result of the collusion between the questionable deputies who are members of the Center Bloc, and the Sandinist deputies. All we have to do is to mention their affiliation, and you will know what we are talking about.

We would like to hear your initial comments on this general outlook: Economic measures and the coup d'etat against the government, against the Legislative Assembly, and against the will of the people. Good morning, Mr. Cesar.

[Cesar] Good morning, and again I thank Radio Catolica for the opportunity to speak on this morning's "Topics and Debates" program, through which we can voice our opinion to the Nicaraguan people, to the listeners of this radio program. We can also speak with the program director and with the radio listeners who call in.

Currently in Nicaragua we are experiencing a situation whereby the few institutions that were built following the people's victory in February 1990 are being destroyed. For example, the country is still shocked about the military takeover of the National Assembly and the imposition of an illegal leadership during that military occupation. That leadership is controlled by the Sandinist Front and its deputies and this goes against the people's will, expressed in February 1990.

The military force ousted the legitimate leadership before its term had expired. The National Opposition Union [UNO] withdrew from that illegal session. Not a single UNO deputy attended the 9 and 10 January sessions. At the 12 January session of the National Assembly, the UNO wing issued an official declaration on which it declared its opposition to the Violeta Chamorro government and stated that as of this moment the government wing is the Sandinist wing.

This closes a chapter of history in which the country's institutional order was broken; military force was used against the National Assembly, and an illegal leadership was imposed. That leadership does not represent the Nicaraguan people's aspirations as expressed at the polls in February 1990. The government has now officially established its National Assembly base in the Sandinist wing, inasmuch as the UNO wing has officially declared its opposition to the Violeta Chamorro government.

Simultaneously, with the destruction of the National Assembly elected by the people—which is being done with impunity, except for the protests led by UNO and with all forces of the nation—another scandal has been

created outside our country. The destruction of the National Assembly by the military is shocking the people of Latin America, the United States, and Europe. No one can conceive of how an incipient democracy, born of the legitimate will of the people, is being destroyed at the end of the third year of the administration, and as Mrs. Chamorro begins her fourth year in power. This military occupation and the imposition of the National Assembly's leadership is unprecedented in Nicaraguan history.

We have also heard that there are plans to dismiss the comptroller general of the Republic in an illegal and unconstitutional manner. It was announced on 12 January that the government is planning to dismiss the comptroller general and appoint a new one. I repeat, in an open violation of the Constitution and the laws of the Republic, the government announces it will commit another coup against one of the institutions that the people respect, and which—in spite of all of its limitations—puts a halt on the general corruption that has been unleashed in the government.

Thus, in these early days of 1993—on the threshold of the fourth year of Mrs. Chamorro's government, as I said earlier—we see how the military is destroying the few institutions that were built so that this incipient democracy could develop. We see how the will of the people, as expressed at the polls in February 1990, is being mocked.

Simultaneously, with this destruction of democratic institutions, the government announced a new economic burden on the Nicaraguan people, who are in the worst state of extreme poverty in the entire hemisphere. We must recall that the per capita income of our people places Nicaragua last in this hemisphere; we are even below Haiti. In addition, a severe economic blow was announced. The people, who do not even have money to buy food, will have to continue paying through a currency devaluation—without there being a salary increase or new taxes—support a national budget. By the way, we must point out the government is operating with an illegal budget, inasmuch as it has not even been presented to, or much less discussed, by the National Assembly. In 1992, we pointed out this fact many times.

The panorama is frightening. Before our very eyes we are witnessing the development of a new dictatorship. We are seeing how the government is ruling by means of executive decree, without a National Assembly, and now without a Comptroller General's Office. This government is operating without meeting the minimum legal requirements of any country that claims to have a democratic system, such as the discussion and approval of the budget in the National Assembly, which is where the peoples' taxes are spent. That is the true situation in Nicaragua in these early days of January. [passage omitted]

[Mora Sanchez] Several sectors of the Nicaraguan population are already speaking about the farce that took place on 9 January at the National Assembly. Now it is being called the Sandinist pigsty, alluding to the Somozist pigsty, as it is a fact that many corrupt people sold out. These people were after duty free imports and other deals. What do you have to say about this?

[Cesar] Our people always compare current situations to previous experiences and obviously, they draw their own conclusions. Of course, we, the UNO deputies who were elected by the people and are loyal to the people's mandate, will continue to be loyal to what the people entrusted in us: Nicaragua's democratic change. We cannot abandon the struggle because it would be tantamount to admitting that the vote that served to elect us was not valid. We will not do this. We will fight internally, rejecting and challenging this board of directors, protesting, and making our political positions known. We will not, however, abandon that forum because, I repeat, it would be tantamount to annulling the popular vote that elected us. Mind you, the name you say the people are calling it goes to show the absolute contempt the people have for those deputies who betrayed the peoples' vote and became allies of the Sandinists to give the Sandinists total control of the National Assembly.

[Mora Sanchez] Friend Cesar, I have several things to say, but there are other telephone calls standing-by and we will put them through shortly. Before that, I would like to speak about the methods of struggle that need to be developed in Nicaragua. I understand that on 10 January there was anxiety among the Sandinist bench, even among the Center Group, expecting that some deputies elected by the people would cross the lines and side with them. The Sandinists wanted at least one deputy on their side to say it is not just them. But with incredible integrity and invaluable patriotic generosity, the UNO deputies, those who were elected by the people, were unanimously present, next to the people in the street, in the countryside, demanding freedom. Jaime Bonilla [Independent Liberal Party Vice President] and everyone else was there. This was really emotional and very praiseworthy. What is now called the new dictatorship imposed its de facto board anyway. It is obvious the Nicaraguan people cannot remain with their arms crossed. I imagine there will be several fronts of struggle against this new situation in Nicaragua such as the legal, publicity, diplomatic, and the peoples' fronts. I understand that the legal front will have specialists who are very good lawyers within UNO—lawyers who are capable and honest and who are willing to see the peoples' wishes come true for freedom in Nicaragua by defending our liberty and the peoples' decision. On the publicity front, of course we have journalists who are willing and interested and we have already begun to place the media we have access to at the service of our country's freedom. I imagine the diplomatic front is active. I would like to speak about the diplomatic aspect in the next segment. I understand you have been invited to President-elect Clinton's inauguration, but I also want to speak about the methods of struggle at the people's level. [passage omitted]

[Cesar] [passage omitted] This morning UNO will meet to analyze its opposition strategy and its relationship with the government. Obviously, within this strategy

definition, the UNO of today is not the same UNO as last week, and Violeta Chamorro must realize this. The relationship with UNO changed radically when she sent the military forces to the National Assembly to pick the board of directors and to elect this new illegal and illegitimate board under military force. This is why the UNO bench officially declared itself in opposition on 12 January. The relationship from now on will be different from what it was a week ago. This invitation should have been made a week ago, to prevent the coup against the National Assembly. Well, the democratic forces always recognize any correction that may benefit the people. If the president has now regretted or changed her mind about the National Assembly's military coup, I feel that as an opposition bench UNO has the obligation—this is my personal opinion because we will make an official decision this morning—to listen to what Mrs. Chamorro has to say if it might benefit the people. I want to make it clear that the little games to try and confuse the Nicaraguan people by making believe that UNO is going to back down from its position are not going to work. There is a solid, official decision to face down, with all civic energies: the consolidation of the new dictatorship that is taking place in Nicaragua.

The UNO bench declared its opposition to the Violeta Chamorro government because the government's official bench is the Sandinist Front bench. Even in dictator [Daniel] Ortega's times, the 14 UNO parties listened to what that government had to say. Now, if Violeta Chamorro wanted to say something to UNO, I would imagine that UNO would decide to listen. But we will not change our position because we are going to oppose her government and will prevent the consolidation of this new dictatorship.

As for the methods of struggle to attain this, I want to review the civic methods of struggle. I must insist on this. UNO has fully decided that the struggle is exclusively civic and peaceful. As part of this, just as we have seen in several countries—not only in Latin American countries, but in European countries as well—new protest methods have been created. Inevitably these all end up as great popular mobilizations.

When the people take to the streets in a massive and organized way, no government can resist it. This is the final stage in which civic changes can be achieved. The banging of pots and pans, the turning off of lights, the act of dressing in black as if in mourning, in addition to other methods of struggle such as propaganda aimed at informing the people, has to result in massive mobilizations of the people in the street. This is how it ends up, and this is where we are headed.

Aside and parallel to this, we must do the diplomatic work. The international community, the democratic countries, which we cannot forget made the February 1990 elections possible and sent the observers to prevent fraud, have the moral and political obligation to help the Nicaraguan people in its struggle to prevent the consolidation of a new dictatorship. UNO will conduct diplomatic activities by doubling efforts in the main countries and international organizations that were directly involved in guaranteeing the 1990 electoral process, and that were the forces that prevented fraud.

Within this context, I have already received the official invitation to attend the inauguration of U.S. President-elect Clinton, which I will attend. That will be on 20 January. I already have several appointments with his government team on that day and on 21 January, particularly with foreign policy officials. Before going to Washington, I will attend a dinner party—for which I have had an invitation for several weeks—hosted by the Nicaraguan Association of Bankers and Entrepreneurs in Miami. I am told that about 500 people will attend—in honor of the work at the National Assembly and to redouble efforts with the struggle that lies ahead. I will go this weekend to the United States; first to Miami to attend that dinner, and then to Washington to attend Clinton's inauguration and to talk to his government officials.

UNO is fine-tuning the details of the diplomatic offensive abroad, which will take place simultaneously with the people's protests. That should result, as I was telling you, in huge street rallies to show that most of the people reject what the government is doing by consolidating a dictatorship and implementing these new economic measures that all the Nicaraguan democratic people obviously reject. [passage omitted]

Panama

Endara, Linares Discuss U.S. Compensation

PA1401184693 Panama City EL PANAMA AMERICA in Spanish 14 Jan 93 p8c

[Report by Arnulfo Barroso Watson]

[Text] Foreign Minister Julio Linares and President Guillermo Endara Galimany discussed on 13 January possible diplomatic measures against the United States to get that country to pay compensation to Panamanians hurt during the U.S. invasion of Panama.

Entering the Palace of the Herons, Linares said it would be up to the Cabinet Council to decide if diplomatic pressure could be used to get a favorable U.S. response to the $200-million lawsuit filed by merchants and relatives of victims of the December 1989 invasion.

Early this week, National Council of Private Enterprise leaders warned they will demand that the government take diplomatic measures to make the United States pay attention to their claims for the harm they suffered as a result of the invasion. The U.S. Supreme Court's Claims Service ruled Panamanians cannot sue that country for the damage suffered during the military operation that toppled former General Manuel Antonio Noriega.

According to the foreign minister, the government backed the demands of Panamanians who requested it. By way of example, he recalled the instruction he gave the Panamanian Embassy in Washington, asking it to provide all necessary support to the lawyer of those Panamanians who sued the United States. Before doing that now, however, Linares will request information from the plaintiffs.

Drug Commission Chairman Reports Threats

PA1401222093 Panama City Radio KW Continente in Spanish 1200 GMT 14 Jan 93

[Report by Luis Alberto Jimenez]

[Text] Legislator Leo Gonzalez, chairman of the Legislative Assembly's Commission for the Control and Eradication of Drugs and Drug Trafficking, has charged that he and his family are receiving threats by telephone. Mentioning names, the legislator said he will not permit the continuation of this situation and if need be, he will take justice into his own hands.

[Begin Gonzalez recording] For the past six or seven days, I have been receiving calls at my office. My children, who are minors, have been called at my house. The callers say that my children and I are going to be implicated in drug cases. The callers say that I am going to be implicated in drug cases and that drugs are going to be planted in my children's bags.

On 13 January I sent a message, which I reiterate today to the entire country: If one of my children or a member of my family is implicated in a drug case by crooks like Leslie Loaiza [former Judicial Technical Police director], Rogelio Cruz [former Attorney General], or any of the others involved in this, I am willing to kill. I am going to defend my children. I am going to defend my honor and that of my family by any means. I swear to God that I will do so because Rogelio Cruz, Loaiza, or any other crook is not going to threaten my children and continue the campaign of fear against them.

They are calling up and intimidating children who are too young to defend themselves. If they think they are going to frighten me, they are totally mistaken. But if something happens to my children, my wife, or any of my relatives, I know who is responsible and I am going to defend my family. If I have to do so, I will take action. [end recording]

Gonzalez said his remarks are a message to those responsible for the threats. He specifically referred to Leslie Loaiza and Rogelio Cruz.

Columnist on Reports of DEA Activities

PA1401172093 Panama City LA ESTRELLA DE PANAMA in Spanish 12 Jan 93 p B15

[From the "Phoenix Rises" Column by Luis De Janon—all quotation marks as received]

[Text] In the daily hustle and bustle as a columnist for LA ESTRELLA DE PANAMA, I have most naturally been forced to deal with those who have taken offense at my writings. Each of them, my illustrious friends, I have tried to understand. At EL PANAMA AMERICA has a gentleman named Tomas A. Cabal, who supposedly writes about hidden truths and who has been referring evasively to the public opinions made through "Phoenix Rises." I refuted his disgraceful conduct but the Americanized columnist from Fernandez de Cordoba Avenue refuses to reply.

He refuses to answer, my illustrious readers, but they commissioned and entrusted reporter Eduardo Soto P. with the task of preparing a report (Saturday 9 January 1993) that deserves my fullest attention. The report is entitled: "The DEA Is Not Filtering Information on Lawyers Involved in Drug trafficking." The part that refers to me says: a local daily published the names of well-known members of the pro-government party Nationalist Liberal Republican Movement, supposedly involved in laundering drug trafficking funds. Those mentioned include directors of the Colon Free Zone."

I must acknowledge that "Phoenix Rises" did publish the connection between Jaime Ford Jr. (general manager of the Colon Free Zone), and Henry Ford Boyd (local businessman) with drug money launderer Ramon Milian Rodriguez. Information obtained through a DEA document that I received through my personal computer.

I publicly challenge the U.S. Embassy to prove that document DEA GI-83-009/DA1-C1 (interrogation by special agents Perez and Loveless of the accused Ramon Milian Rodriguez) is false, and that it is an unbalanced fabrication by the "Phoenix Rises" column. That is why, my illustrious readers, I must acknowledge that we have connected the Ford gang with the Colombian and Cuban narcomafia. Wasn't Guillermo Ford Boyd a member of the Dadeland National Bank board of directors? Wasn't the Dadeland National Bank a key haven for Gonzalo Mora, who "according to U.S. judicial documents was a principal Medellin Cartel drug money launderer."

To reaffirm what we have reported, reporter Soto adds in his report: "In a recent speech, U.S. Ambassador Deane Hinton asserted, nonetheless, that the Free Zone is being used by honest businessmen, as well as "criminals." It is accurate. We are now showing Panamanians and DEA bloodhounds (those who spend their nights at the imperial embassy) all about illegal funds transfers, through Puerto Obaldia, which end up laundered in the Colon Free Zone.

The EL PANAMA AMERICA reporter commits another indiscretion when he writes: "on three occasions, the newspaper in question published a list of lawyers (legislators, magistrates, businessmen) who presumably spend their time registering companies specializing in laundering narcodollars. It was insisted that said information had been provided by the DEA." False. I have published a list of lawyers or law firms who took the necessary steps

to obtain the release of accounts allegedly linked to drug trafficking. I never said, however, that this information had reached me via the DEA. It is inaccurate.

With a press release (supposedly from the gringo embassy) they denied there were two lists with the names of Panamanians who maintain some connection with drug trafficking or money laundering. The first list was published on 22 December (92) and included 32 names. I got it via a magisterial mole [topo magistral], taken from the DEA files. The second list was published on 4 January (93). I got it though a second source, via DEA, and it included 50 names.

I could not care less, my esteemed Soto, that the so-called foreign embassy would categorically deny what evidently is inconvenient for them, because the credibility of what the imperial ambassadors have expressed historically in those press releases has never reflected their true political conduct. Furthermore, my distinguished readers, the wording of the so-called press release is transparent [gelatinosa]. Take a look at what it says: "the U.S. Embassy has no idea who is making these lists, but it is not the DEA office in Panama." I am not going to contradict the U.S. Embassy spokesperson, because it is useless wasting time in nonproductive discussions. We simply reaffirm that the list was provided by someone with long arms, who was able to probe and will continue to probe the DEA secret files in Panama.

Next week we will publish other DEA activities because there is no doubt that the Colon Free Zone is a huge international springboard for the trafficking of cocaine, marijuana, and heroin. It is also a huge laundromat for drug trafficking dollars. We are going to unmask the illegal operations in the Colon Free Zone and mention names (businesses, businessmen] involved in this infamy against the survival of mankind.

Article Crititizes PRD Attitudes, Actions

PA1501014693 Panama City LA ESTRELLA DE PANAMA in Spanish 6 Jan 93 p A5

[Article by Daniel Delgado Diamante, former Defense Forces lieutenant colonel: "About the Sale of Souls"]

[Excerpts] I have yet to understand the political opposition role currently being played by the Democratic Revolutionary Party (PRD), and I am sure other observers and political analysts share the same doubts. The PRD emerged from the 15 November 1992 referendum as the opposition group with the greatest political possibilities for the 1994 elections. Nevertheless, within a month it has lost more image and position, not only in the Panamanian people's eyes but also in the perception of the party's own rank and file. Let me explain. [passage omitted]

The PRD started its post-invasion political activities accepting the seats it was given in an imposed National Assembly, instead of demanding the seats that were rightfully its own. The party then gave priority to the search for politically expedient agreements, making legislative concessions to the government rather than playing a clear opposition role in favor of the people. The party managed to achieve great success, due to the government's quick deterioration rather than due its own partisan activities, in the January 1991 partial elections. [passage omitted]

The PRD strategy for the referendum was to join forces with other groups to assume front-line positions in favor of a no to the constitutional reforms. Following the referendum it assumed a "low profile" without establishing the guidelines for political unity in the future. All the party activities changed and were assumed by the legislators, who proved they are totally devoid of coordination, thus proving the lack of a partisan legislative strategy. [passage omitted]

PRD legislators have used the issue of amnesty as a trite argument to exert pressure on the Legislative Assembly but, in fact, they have not been able to handle the problem. They should have never drafted an amnesty bill—which prisoners never requested, as they said in a public letter—if they had no intention or guarantee of getting its approval. The issue has only served to renew ill feelings against the prisoners, and it has served as a smoke screen to cover up the government's corrupt actions, which fill the media's front pages. Thus, the PRD is going along with the government's plans for the second year in a row.

In my opinion, the one who should be blamed for all this is the PRD president because he failed to define the party's true position when he acted as legislator. The same goes for the party secretary general, who has shown a lack of sensibility concerning the prisoners even though he is the leading negotiator and has received all of the government's proposals on this issue. He has been incapable of organizing and directing a successful legislative strategy. The party's vice president was the only National Executive Council member who accompanied, with dignity, the prisoners' relatives at the assembly sessions.

Given the state of things, many explanations must be given to the party members and their partisan organizations. They must likewise change course and correct mistakes because the use of the pain and sorrow suffered by political prisoners and prisoners of war, both civilian and military, as well as their relatives, to create false expectations, represents an action of disrespect toward them and an act of treason against Torrijism, which the party claims it represents. If we are talking about the sale of souls (something which is being mentioned a lot nowadays) some PRD leaders and legislators seem to have won the lottery.

[Dated] Panama, 5 January 1993.

PRD Responds to Attack

PA1501022193 Panama City LA ESTRELLA DE PANAMA in Spanish 7 Jan 93 p A5

[Article by Democratic Revolutionary Party, PRD, leaders Gerardo Gonzalez, Ernesto Perez Balladares, and Mitchel Doens: "About Souls in Purgatory"]

[Excerpts] We do not have the habit of responding to news articles because we firmly believe that all citizens have the right to state their opinion. However, when an article distorts the truth and has sordid and hideous objectives, then, out of respect for the people in general and for the Torrijists in particular, we have no choice but to unmask unprincipled persons. This is why we are now responding to Daniel Delgado's article published in LA ESTRELLA DE PANAMA on 6 January 1993.

This citizen, who is now a columnist, begins his article by saying: "I cannot understand what opposition role the PRD is playing right now." How could he? Not only is he not a member of the party, he has also remained outside political party life. Mr. Delgado continues his article with an "analysis" based on false premises and unreliable information. He declares that the PRD's first mistake was "to accept the seats granted by an imposed National Legislative Assembly instead of demanding the seats to which it is lawfully entitled." What law is Delgado talking about? One who knows that since the invasion took place, everything is done de facto in this country, cannot avoid perceiving sarcasm in this statement by Delgado. [passage omitted]

With regard to the PRD strategy at the Legislative Assembly and at other political scenes mentioned by Delgado, the media is not the best spot to give explanations about our strategy, and less so to people who have not had the courage to register as members of the PRD to struggle for their ideals from within.

Allow us, Delgado, to tell you that the PRD does have a superior: its members. This is how it should be. This is the way it was designed by Torrijos, and the way people like you never allowed it to be. You are still back in the days of the PRD's most obscure period. You believe that there is still the pulpit erected by military authority from which you can act like some sort of judge of the PRD political actions. Update yourself, Mr. Delgado. The military oracles are gone. This is good for the country. It has given way to democratic debates and respect for the will of the majority. [passage omitted]

Finally, allow us to tell you very clearly, so that there is no room for confusion, the following: You are in no position to dictate political lines to the PRD. You are not even a member of the PRD. You must make satisfaction in purgatory for the errors you committed as defender, which you were, of the confrontation line, for your erroneous political and military estimates, and for your share of responsibility in having the country savagely invaded. After you do this, you can either learn how to state political opinions responsibly or shut up so as not to misguide others with your mistaken positions.

[Signed] Gerardo Gonzalez, president

Ernesto Perez Balladares, secretary general

Mitchel Doens, first under secretary

Son of Opposition Leader Responds

PA1501033093 Panama City LA CRONICA in Spanish 13 Jan 93 p 11

["Open Letter to Delgado Diamante" from Pedro Miguel Gonzalez P., who is wanted for questioning in the 10 June 1992 attack on two U.S. soldiers in Chilibre, Panama]

[Excerpts]

1. Introduction

Four pages is too little space to write so many ideas, but nevertheless I will try. I first wish to take the opportunity to send greetings to my family, friends, and my fellow party fighters, especially to our Torrijist youths. I thank the solidarity I have received these past seven months. Many thanks from the bottom of my heart.

I had thought of sending the media a message explaining my position and the reason for my decision to remain in hiding until there are conditions that guarantee due process to every citizen and my decision not to join so easily the list of political hostages that the figurehead regime keeps in jail. Now, however, following the Judicial Branch crisis (with an Attorney General removed and investigated for alleged drug trafficking links and with a Supreme Court president involved in one of our history's most horrendous crimes), I believe that this matter can wait. After all, it has been demonstrated before the face of the country that there is no government official (in any of the branches) that has the stature or the moral or political authority to judge a single Panamanian patriot, to judge any of our own.

This letter, therefore, has another purpose. Under different circumstances I would have done it only as a duty to the party, but due to the special situation I am in—one of the men, without merit, more persecuted by the occupation government—and with my father's name involved unfairly and undeservedly in an unfortunate public diatribe, this affair now becomes a family matter and even a personal matter, especially because Comrade Gerardo is abroad. [passage omitted]

2. The Message

I begin by repeating to Mr. Delgado something I said in April 1992 at the Granada Hotel, at a roundtable discussion organized by Legislator [Mario] Rognoni. Do you remember? Before anything else, "register your name in the party." You can afterward write and speak with full correctness on the topics you wish. Afterwards, I advised you, due

to party discipline, that you state all your ideas, but only within the party. By doing otherwise you do the enemy a big favor. This is something understood by most of our fellow party members who have never played into the hands of fifth columnists or "grasshoppers" who irresponsibly go to the media to explain our internal affairs. For this there are proper places, even alternate methods such as internal memos, or by organizing roundtable discussions (Rognoni, for example). [passage omitted]

By attempting to discredit the role of the party at this heroic moment in history, you do not do this against its leaders, but against all the efforts of the rank-and-file members who struggled with their fingernails and without resources or appropriate means in each of the electoral circuits that took part in the January 1991 elections, with an Electoral Tribunal that altered the registries in a great number of key corregimientos, amid persecution, and in an occupied country. Despite this, we won. [passage omitted]

Mr. Delgado, just as all my family, I am sure that the great majority of party members feel great respect and affection for the men in uniform. We can never forget that our top leader and spiritual guide was one of them and the whole fatherland should be eternally grateful. I know that even in the future they have an important role to play in achieving our goals.

I very much regret that this is not the same treatment we receive from you. On the contrary, you have dared raise doubts as to my father's honor and the political capacity of a spotless man such as my father, whom Omar [Torrijos] himself never doubted, or any of the rest of the party leaders. I regret also feeling disappointed in you.

Our inmates and the politically persecuted should not be used by anyone as cannon fodder to make political publicity for themselves, much less to irresponsibly and merrily attack fellow fighters. Some people have been doing this for some time now, and now I notice that you have joined that team. This is truly most regrettable.

Perhaps the passing echoes of the eternally discontent will lead you to believe that you were right. Time, certainly, will make you see your mistake. I only hope you will be brave enough to admit it.

Nevertheless, regards.

[Signed] Pedro Miguel Gonzalez P.
Personal Identity Number 8-237-274
Panama, 7 January 1993

Argentina

'Logistical Support' Against Iraq Possible

PY1401144893 Buenos Aires TELAM in Spanish 1129 GMT 14 Jan 93

[Excerpt] Buenos Aires, 14 Jan (TELAM)—Defense Minister Antonio Erman Gonzalez stated today that Argentina might send logistical support to the allied forces that began an escalation of war tactics against Iraq on 13 January, and he said this eventual participation would be "coherent" with the previous participation of Argentine troops in the so-called Operation Desert Storm in the January 1991 Persian Gulf conflict.

In remarks to Radio del Plata, Gonzalez indicated that he agreed with President Carlos Menem, who on 13 January stated that Argentina "fully agrees with the position that has been adopted by the United Nations" regarding the Iraqi regime of Saddam Husayn, and he maintained that troops could be sent to that conflictive area "if that cooperation is required."

On receiving the information that some 100 U.S., English, and French planes were bombing strategic objectives in Iraqi territory and when asked whether Argentina would support the allied crusade with ships or logistical equipment, Menem answered: "Of course, if that cooperation is required, then Argentina is going to be there."

Within this context, Gonzalez stated that after the UN Security Council hands down a decision "we will have to make a decision that will be coherent with what the Argentine Government has been doing since its participation with two vessels in the Desert Storm operation in order to contribute to the blockade and with the logistical support of the troops that fought there."

"The cost or part of the cost" of an eventual Argentine participation in this new conflict "will be compensated for through the United Nations," the minister reported.

Asked about the sending of troops to Somalia, the defense minister said that if the intervention to impose peace or recover hope, as the operation is called, is drawn out, then "units of military personnel will be needed, but only for medical and paramedical functions in order to specifically cooperate in humanitarian actions."

"We have a 177-man unit ready, including medical officers and paramedical NCO's, and a small security unit for the entire group," the minister explained.

He added that "as soon as this part of the operation is finished, it will be followed by an operation with the participation of the Blue Helmets to maintain peace, and in this case Argentina has offered to participate in that force, although the scope and the quantity of men and equipment will have to be evaluated." [passage omitted]

Cavallo Signs Agreement To Buy U.S. Bonds

PY1401181693 Buenos Aires Radio Nacional Network in Spanish 1500 GMT 14 Jan 93

[Text] Argentina and the United States have signed a letter of agreement regulating the purchase of U.S. Treasury zero coupon [cupon 0] bonds that will be used to guarantee the new Argentine foreign debt notes.

During the ceremony to sign the agreement with Economy Minister Domingo Cavallo, Nicolas Brady said the agreement is a symbol of our common efforts to solve the debt crisis.

Through this agreement, the United States will sell $18 billion worth of zero coupon bonds to Argentina to support a reduction of our country's foreign debt. These bonds mature in 30 years and will be used to guarantee Argentina's (par bonds) with discounts that the country will exchange for old debt titles within the framework of the Brady Plan.

Argentina To Have Consular Offices With Brazil

PY1501003193 Buenos Aires in Spanish 1310 GMT 14 Jan 93

[Text] Buenos Aires, 14 Jan (NA)—Argentina and Brazil will cooperate on foreign policy and share consular buildings in those countries where either of the two countries does not have a permanent mission.

The measure, which was announced by Argentine Foreign Minister Guido Di Tella in 1991 [date as received], will be implemented soon through two pilot projects in North America.

With the plan, Argentina will have offices in the Brazilian consulate in the Canadian city of Vancouver while Brazil will have offices in an Argentine consulate in the U.S. city of Atlanta.

The Foreign Ministry, announcing the agreement, emphasized the reduction in the cost of office leasing, in diplomatic officials, administrative employees, and maintenance personnel.

If the agreements, which will be implemented soon, progress as planned, the project will be extended to other regions in the world where either of the two countries does not have a permanent mission.

Bolivia

Bomb Explodes at Free Bolivia Movement Office

PY1501143693 La Paz Radio Fides Network in Spanish 1100 GMT 15 Jan 93

[Excerpt] It has been confirmed that a dynamite attack occurred at 0300 today at the Free Bolivia Movement headquarters on Abaroa Street, some (?five) blocks from the 25 de Mayo Square in Sucre. The police are investigating.

Neighbors reported that the bomb caused a strong explosion that seriously damaged the building.

A note signed by the 15 January Front [Frente 15 Enero] was left at the site of the attack. It reads: No To Treason and No To Imp[illegible]

The Bomb Squad yesterday defused an explosive device that was planted 10 meters from an office of La Paz city hall. No casualties or damage have been reported. [passage omitted]

Official Says Chile Must Change Position

PY1401165993 La Paz Radio Fides Network in Spanish 1100 GMT 14 Jan 93

[Text] Bernardo Inch, the economic affairs and integration under secretary, stated that the resumption of diplomatic relations between Chile and Bolivia will continue to be complex as long as Chile does not change its position toward Bolivia within the historical framework:

[Begin Inch recording] I think current Chilean-Bolivian relations are complicated, and obviously they are not normal. An agreement must be reached in the future to see whether progress can be made to improve them. I want to point out that relations will improve if Chile changes its attitude. [end recording]

Minister Says Coca Production Has Decreased

PY1501125093 La Paz Television Nacional Network in Spanish 0000 GMT 15 Jan 93

[Text] Interior Minister Carlos Saavedra Bruno today reported that coca production has dropped by 50 percent. His comments confirm the government success in the antidrug fight.

He said that this reduction follows the latest operations in which cocaine was seized and the voluntary plan to eradicate coca plantations. He said:

[Begin Saavedra recording] Bolivian coca production is now 50 percent lower than in August 1989. Coca is the basic raw material of cocaine, which can only be produced by using coca. In addition to the reduction in coca production, more of the drug is being seized and the flow has decreased. Some 40 or 50 tonnes of cocaine have been seized in the last four years. This is also a significant achievement.

To answer your specific question on the reduction in the flow of cocaine, in our opinion it has been reduced by 50 percent. [end recording]

Brazil

Restrictions Cause 'Displeasure' With Thailand

PY1401181393 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 13 Jan 93 Economy and Businesses Section p 8

[Article by Leticia Borges]

[Text] Brasilia—The mushroom known as microcyclus ulei, which is infecting rubber plantations in Brazil, may lead to the cancellation of the inaugural Varig [Rio Grande do Sul Airline] flight to Bangkok scheduled for 15 January. It also may affect Brazilian-Thai diplomatic relations. Itamaraty sources reported that the Brazilian Government is annoyed with the irrelevant sanitary demands made by Thailand in order to prevent the mushroom from contaminating local rubber plantations.

If the demands are met, Aeronautic Minister Lelio Lobo and Chamber of Deputies President Ibsen Pinheiro (PMDB-RS) [Brazilian Democratic Movement Party-Rio Grande do Sul], who were invited to attend the inaugural flight, will have to take a bath and wash their heads at the Bangkok airport. All passengers arriving from Brazil also will have to fill out a form, and they will not be allowed to visit a plantation area during the first few days.

Clothes and baggage will be treated with 55-degree [centigrade] hot steam and up to 100-percent humidity or with ultraviolet rays and formaldehyde for 15 minutes. Besides, any type of plant will be quarantined and treated with chemicals, and any type of packaging from Brazil will be burned.

Itamaraty has summoned Thai Ambassador to Brazil Anurak Thananan to convey to him the displeasure and the feelings of the Brazilian Government. Embrapa [Brazilian Agriculture and Livestock Research Enterprise] has drafted an explanatory document to prove that there is no risk of contamination.

The mushroom causes a disease in the rubber leaf and almost exterminated the plants in Brazil. This is why Thailand, the world's major rubber exporter, was careful about the situation. The Brazilian Embassy in Bangkok is trying to find a solution to allow the flight to that country.

Itamar Franco Criticizes Mayors, Certain Taxes

PY1401223093 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 13 Jan 93 p 7

[Report by Mara Bergamaschi]

[Text] Brasilia—During a meeting with social area ministers, President Itamar Franco criticized "the high level" of the Urban Real State and Property Tax (IPTU) collected by municipalities. In Itamar's opinion, this contributes to fuel inflation and the social crisis. He said: "Municipalities could even confiscate the houses of the

underprivileged." He said he holds the governors responsible for maintaining the inflationary spiral. Franco said: "The causes for inflation not only involve the Federal Government." As an example, he said that state governments transfer the entire inflation, not just their cost increases, to public rates.

Itamar asked the ministers to "appeal to the consciences" of mayors and governors over the implementation of joint programs to meet the demands of education and health and to fight inflation and crime. In addition to the efforts to promote integration with the governors, the social welfare, health, education, labor, social security, and justice ministers will have to submit their priority programs next week. Social Security Minister Antonio Britto said: "The order is to bear the burden of required expenditures, see what is left, and decide where to invest it."

The existence or nonexistence of budget "leftovers" is the first problem to be solved by the government. Planning Minister Paulo Haddad will meet with Britto, Health Minister Jamil Haddad, and Social Welfare Minister Jutahy Magalhaes this week to discuss whether the fiscal reform being discussed in Congress will provide additional funds for their ministries. One of the most critical situations involves the Health Ministry which requires $3 billion to close the fiscal year. Jamil Haddad warned: "Our budget will only maintain the hospital network until August." He added: "If the fiscal reform kills off the Finsocial [Social Investment Fund], the PIS [Social Integration Program], and the Pasep [Government Employees Welfare Fund], what am I to do?"

In addition to guaranteeing that the Health Ministry will receive the required funds, Itamar emphasized the need for immediate efforts in the fields of education and labor. He said: "Elementary education has been overlooked." The president told Labor Minister Walter Barelli to expedite projects to create employment and suggested an initial labor front: Six-month apprenticeship periods in public service for people who have just graduated. To implement its goals—which Itamar refuses to call emergency goals—the government intends to have four basic sources of financing: foreign investment, specific funds, security budget, and Treasury funds.

Brazilian Launch Vehicle 'Capable' of Operation

PY1401134393 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 13 Jan 93 p 12

[Article by Ulisses Capozoli]

[Text] Washington—Colonel Tiago da Silva Ribeiro, new director of the Aeronautics and Space Institute (IEA), told ESTADO Brazil is already capable of placing its first satellite launch vehicle (VLS) into operation. A launch has not been carried out yet because an eventual breakdown might have "bad political consequences" for the rocket program, which already is suffering from budget problems and a boycott by space club member countries since 1987, Ribeiro said.

The colonel said each VLS costs around $8 million, nearly half of what Brazil is paying ($14 million) for the U.S. Pegasus rocket to place the first Brazilian satellite—the Data Collecting Satellite-1 (SCD-1)—into orbit.

"Military Objectives"

The space club member countries' boycott—implemented under the justification that Brazil had a parallel program to develop a missile with military purposes—has raised the price tag and delayed the Brazilian rocket's development. According to Col. Ribeiro, it already is feasible to build both the missile and the rocket in the country, but the rocket has priority because it is part of the national space program.

Countries with advanced space programs, including the United States, are interested in the development of small rockets such as the VLS. Small rockets can launch satellites at lower costs because of the current size reduction of satellites. A source linked to the Brazilian program told ESTADO of hearing a U.S. official threatening that "Brazil will not have a launch rocket."

Brigadier Ajax Barros de Mello, vice president of the Aeronautics Ministry's Research and Technological Development Department, estimates that the rocket program can be finished with $80 million.

Agreement Signed With UK To Reschedule Debt

PY1401234593 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 14 Jan 93

[Report by Patricia Gomes from Brasilia]

[Excerpts] The Brazilian Government today signed an agreement to reschedule the Brazilian debt with the United Kingdom. This represents another step for Brazil in normalizing its relations with the international financial community.

The goal of the document signed today by Planning Minister Paulo Haddad, who is also acting economy minister, and British Ambassador to Brazil (Peter Heap) is to normalize relations between Brazil and the international financial community.

The bilateral agreement to reschedule the official debt with the British Government agency which provides guarantees on export credits involves $1.2 billion, and is included in a memorandum of understanding signed between Brazil, the United Kingdom, and the 12 creditor countries with the Paris Club. [passage omitted]

Brazil will have to make the first payment on the $1.2 billion principal on 30 June 1995, and the last on 31 December 2006.

Similar agreements have already been signed between Brazil and France, the United States, Canada, and Germany. An agreement will be signed with Sweden within the next few days.

The signing of the bilateral agreements should represent an additional step toward the normalization of relations with the international financial community.

Government To Support Private Enterprise

PY1501003593 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 14 Jan 93

[Report by Vera Lucia Canfran from Brasilia]

[Text] The government will invest in the development of small- and medium-sized companies. The program is included in an agreement signed today between Foreign Minister Fernando Henrique Cardoso and the representatives of 10 State governments.

The agreement, involving $4 million, is designed to support private enterprise, especially small- and medium-size companies, in the fields of investment promotion and technology transfer.

The Brazilian Government wants to trade with foreign countries. This is explained by the Foreign Minister Fernando Henrique Cardoso:

[Begin Cardoso recording, in progress] ... and gathering information out there on identifying (?who will) invest in Brazil, on new technologies, and on the possibility of selling Brazilian products out there. We will now have a network to immediately inform those Brazilians interested in this field. This will help to enhance Brazil's commercial situation. [end recording]

The investment promotion program will be developed as follows: State governments or export associations of each state will disseminate the investment opportunities received from abroad. To receive this information, entrepreneurs will participate in seminars.

Interview With Bahia Governor Magalhaes

PY1401182993 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 13 Jan 93 p 6

[Interview with Bahia State Governor Antonio Carlos Magalhaes by unidentified reporter; place and date not given]

[Text] [O ESTADO DE SAO PAULO] Did corruption end with the end of the Collor government?

[Magalhaes] No, corruption continues. Corruption can be taken to the limits at the political will of governments. Anyone who wants to prevent corruption must do so through actions and not just words. The government must implement an attitude of decency, for example in the case of biddings where the lowest price is the main objective.

[O ESTADO DE SAO PAULO] What can the president do?

[Magalhaes] He must ensure that funds are well used, that they are not subjected to political privileges, and that they are used for local projects. He should be alert for reports of wrongdoings. He must investigate all wrongdoings: either from friends or enemies.

[O ESTADO DE SAO PAULO] The Franco government made a formal commitment to fight corruption. If progress is made, will you support him?

[Magalhaes] If that happens I will be the first to applaud him. But it is not enough for him to be honest. That is not enough. He must show that the entire government is honest. This is what I want to see.

[O ESTADO DE SAO PAULO] Do you know any cases of corruption within the Franco administration?

[Magalhaes] I know of funds that have been released the way it used to be done. I know about the release of funds for some states the same way.

[O ESTADO DE SAO PAULO] What kind of corruption is still going on?

[Magalhaes] When a government releases large amounts of funds to mayors who are leaving their posts within five or six days it shows that all is not well.

[O ESTADO DE SAO PAULO] Social Action Minister Jutahy Magalhaes said several times that when he was installed the ministry did not have a cent.

[Magalhaes] I believe it has quite a bit of money, enough to release funds.

[O ESTADO DE SAO PAULO] What type of reforms are needed to stop corruption?

[Magalhaes] The most difficult thing is to send the corrupt to jail. We must amend the penal code. But we must do this as soon as possible so that the 1994 elections will be free of corruption.

[O ESTADO DE SAO PAULO] Do you consider the distribution of resources in Bahia by the federal government to be corruption?

[Magalhaes] I do not want to offend Minister Jutahy Magalhaes. I have no intention of offending either the minister or President Itamar Franco. I want to do things personally. When I learn something concrete I will report it to the minister and to the president himself.

[O ESTADO DE SAO PAULO] Are those concrete cases?

[Magalhaes] Those are concrete cases, and I will report them.

[O ESTADO DE SAO PAULO] You have been talking about this corruption issue for some time. We must ask: Why did you support Collor to the very end?

[Magalhaes] This is true, but I did not agree with some positions of President Collor. I was the dissenting voice among the northeastern governors in relation to President Collor. I was the person who practically demanded

a change in the ministerial cabinet. There is no doubt that, at the end, he had a decent cabinet.

[O ESTADO DE SAO PAULO] Have you assessed the first days of government?

[Magalhaes] The president has, in real terms, been in government for three months and a few days. Anyone who had the power to change ministers three months ago cannot say that he has been in government for only a few days.

So far inflation has not been reduced. I want to see everything improved. I am hoping for a good government.

[O ESTADO DE SAO PAULO] What should President Franco do to reduce prices?

[Magalhaes] When I am president I will tell you.

[O ESTADO DE SAO PAULO] But what mistake is he making?

[Magalhaes] He is mistaken when he says he will adopt measures and then does not. He creates expectations and then fails. He is mistaken when he fails to implement his threats.

[O ESTADO DE SAO PAULO] Could you help him do the right thing by participating in a pact?

[Magalhaes] In a pact no, because I do not believe in pacts. The people receive no benefit from them. The people are just spectators who pay the bill.

[O ESTADO DE SAO PAULO] This pact seems to be run like a condominium.

[Magalhaes] I do not want to participate in a condominium without a resident manager.

[O ESTADO DE SAO PAULO] Returning to the corruption issue, do you believe [former Sao Paulo Governor] Orestes Quercia is an example of an unpunished corrupt person?

[Magalhaes] I cannot say he is an example of an unpunished corrupt person because I am not a person who is living in Sao Paulo. You, the people of Sao Paulo, will have this example for judgment soon. He must be judged by the people of this state.

[O ESTADO DE SAO PAULO] Has the government chosen the fiscal adjustment as the last resort?

[Magalhaes] Fiscal adjustment does not reduce the public deficit. It does not collect from tax dodgers. It does not improve the collection system. Yet it is being said the fiscal adjustment will improve state, municipal, and federal revenues. Taxpayers with a very heavy burden will actually be the ones who will pay. This overburden should not exist.

[O ESTADO DE SAO PAULO] What should be done?

[Magalhaes] There should be an internal reform. The government should first improve its fiscal apparatus, which should be able to collect and should be agile. The fiscal apparatus could then double its collection without further penalizing taxpayers.

[O ESTADO DE SAO PAULO] What will be the outcome of the pact?

[Magalhaes] None. It will disappear after the fiscal adjustment. Lula [Workers Party leader Luis Inacio da Silva] is already jumping out, and Quercia and [Brazilian Social Democracy Party leader Tasso] Jereissati will not remain tied to the government. They are pretending to support Franco.

[O ESTADO DE SAO PAULO] What do you think of [Ceara Governor] Ciro Gomes, who uses hatred of politicians as a political banner?

[Magalhaes] I do not hate politicians. Quite the contrary. I am a politician. I like politicians. Some politicians deserve to be hated and some deserve respect.

[O ESTADO DE SAO PAULO] You said the Itamar Government is very bad. You also said the Collor Government was very bad. Why then did you defend the Collor Government?

[Magalhaes] I forced Collor to change his cabinet. It was changed because of me. During the final stages I went to [former political coordinator of Collor administration] Jorge Bornhausen and told him: We must get out of this. Bornhausen asked me to stay, saying he would remove (former Education Minister Eraldo) Tinoco. I said we would stay until the end if Tinoco went. How could I leave?

[O ESTADO DE SAO PAULO] Did you feel morally committed?

[Magalhaes] Yes. Collor told us to wear green and yellow but it was of no avail. Yet I preferred to stay.

[O ESTADO DE SAO PAULO] What was the point of your stance?

[Magalhaes] I was being consistent.

[O ESTADO DE SAO PAULO] Did you believe the president was not morally entitled to remain in his post, but felt committed because he had changed his cabinet?

[Magalhaes] I believe Collor and PC [entrepreneur Paulo Cesar] Farias were partners. All those cases were the result of a long-standing agreement. When I wanted the cabinet changed, it was changed and no more corruption was reported in the government. Collor did not have anything else to do. The other ministers took over the government.

[O ESTADO DE SAO PAULO] Why did you support Collor?

[Magalhaes] Bahia State did not receive anything. Rio de Janeiro State received an advantage.

[O ESTADO DE SAO PAULO] What is the solution to the fiscal adjustment issue?

[Magalhaes] I don't know. I am not the president.

[O ESTADO DE SAO PAULO] Do you want to be president? Are you or are you not a candidate?

[Magalhaes] I will be senator for Bahia State.

[O ESTADO DE SAO PAULO] Does this mean that you want to be president, but you don't want to be a candidate?

[Magalhaes] (laughs)

[O ESTADO DE SAO PAULO] Who could win the 1994 presidential elections?

[Magalhaes] For the time being, Lula. [Sao Paulo Governor Paulo] Maluf too, if he succeeds as Sao Paulo mayor. Maluf's chances depend on his success and he has very little time.

[O ESTADO DE SAO PAULO] And [Rio de Janeiro] Governor Leonel Brizola?

[Magalhaes] No, in my opinion. He already was involved in one administration, and he is not a good candidate. He could have been a good candidate had he not been Rio de Janeiro governor.

[O ESTADO DE SAO PAULO] And Quercia?

[Magalhaes] I believe Quercia is not a strong candidate because that PMDB [Brazilian Democratic Movement Party], or anything like it, does not exist in a presidential election. There are charges of corruption that greatly damaged his political life. Yet he will be elected as a deputy.

[O ESTADO DE SAO PAULO] And [Sao Paulo Governor Luiz Antonio] Fleury?

[Magalhaes] He is a presidential hopeful.

[O ESTADO DE SAO PAULO] What contributes most to the parliamentary system today?

[Magalhaes] I do not believe the people favor a parliamentary system. Brazilian elites lean more toward a parliamentary system than the people. What type of parliamentary system will we experience after its implementation? None of its followers can say. What type of parliamentary system will we have? The Portuguese, Spanish, or German type? Will the people vote without knowing the system they will have? Should the people be unaware of this? This issue will be decided in April. In addition, February is Carnival.

[O ESTADO DE SAO PAULO] Do you favor postponing the plebiscite?

[Magalhaes] No. It has already been set. It will be worse if it is postponed.

[O ESTADO DE SAO PAULO] Will you, Brizola, and Quercia campaign for the presidential system?

[Magalhaes] Why?

[O ESTADO DE SAO PAULO] What to you think of the current Congress?

[Magalhaes] It portrays Brazilian society. It partly deserves respect and partly not.

[O ESTADO DE SAO PAULO] Could it make the parliamentary system work?

[Magalhaes] Yes. But the budget committee, for example, must be totally changed. It cannot have 120 members. It should have fewer members. Also, appointments should be made on merit.

Chile

Honecker Arrives, Looks 'Very Thin and Tired'

PY1401173593 Santiago Radio Chilena Network in Spanish 1707 GMT 14 Jan 93

[Excerpts] Former GDR leader Erich Honecker has just stepped off the Varig [Rio Grande do Sul Airline] aircraft that brought him to Chile. Honecker is wearing a dark-colored suit, a hat, and is carrying a raincoat and a briefcase.

He was met at the airport tarmac by his wife, Margot, and his daughter, as well as a few leaders. [passage omitted]

Honecker is entering the airport VIP lounge accompanied by his wife. Honecker, who is smiling and has taken off his hat, is now being welcomed by his daughter Sonia with a hug and kiss and a bunch of flowers. [passage omitted]

Honecker is greeting journalists. Despite the fact that he looks very thin and tired from the trip, he is smiling at the journalists and other people who have come to welcome him. Now he is being greeted by [Communist Party of Chile Chairman] Volodia Teitelboim and former Chilean Ambassador to Russia Clodomiro Almeyda, who sheltered him at the Chilean Embassy in Moscow in December 1991.

Honecker has entered the VIP lounge, where he will meet the rest of his family and representatives of leftist organizations who have been waiting for him at the airport since early today.

Reads Communique, Thanks Chileans

PY1401193493 Santiago Radio Chilena Network in Spanish 1805 GMT 14 Jan 93

[Report by Daniela Araneda]

[Excerpt] The situation is gradually returning to normal here at Santiago Airport after the commotion caused by the arrival in Chile of former GDR communist leader Erich Honecker.

The 80-year-old leader arrived in Santiago at 1350 [1650 GMT] and was welcomed by his wife Margot, daughter Sonia, other relatives, and leaders of leftist organizations.

Once inside the VIP hall, Honecker underwent a medical checkup conducted by a physician from Las Condes Hospital. After that Honecker approached the entrance of the VIP hall, where he addressed a message to Chile.

[Begin Honecker recording in German with subsequent translation into Spanish] I find it hard to express my real feelings at this moment. Behind me lie many difficult years in hospitals, and more than five months in jail. Right at the beginning of this ordeal I learned about my illness, but I was comforted and helped by the solidarity expressed by the Chilean people, by friends and fellow men throughout the world.

I never thought I would see my dear wife and brave companion again. [end recording]

After reiterating his thanks for the international support received, Honecker boarded a vehicle which—it was stated here—transported him to Las Condes Hospital, where he will undergo new medical checkups and treatment for the kidney cancer he suffers. [passage omitted]

Colombia

Escobar Threatens Violence if Demands Not Met

PA1401141793 Paris AFP in Spanish 1213 GMT 14 Jan 93

[Text] Santa Fe de Bogota, 14 Jan (AFP)—The Defense Ministry reported here on 14 January that the elite police in charge of seeking and capturing confessed drug trafficker Pablo Escobar Gaviria, head of the Medellin drug cartel, have been reinforced with 600 Army and Navy personnel.

Since the time of Escobar's escape (last 22 July) from the comfortable La Catedral Jail in Envigado (in the northeast), approximately 3,500 uniformed and plainclothes policemen have been searching for him around the clock in Medellin and nearby areas in Antioquia Department.

The Defense Ministry reported that 200 soldiers of the first contingent arrived Thursday in Medellin, 500 km northeast of Santa Fe de Bogota, while the remaining 400, including 200 Navy servicemen, will join the surveillance operations in Medellin next week and search for the drug lord. President Cesar Gaviria's administration has offered a 2,700-peso reward, approximately $3.7 million, to anyone who provides information leading to the capture of Escobar, nicknamed "El Doctor," who threatened to unleash a wave of terrorist attacks a few days ago.

In a letter he made public to two Medellin politicians, the most wanted criminal in Colombia informed the government of his conditions for a future second voluntary surrender to justice, warning that if they were not accepted he would be capable of conducting a series of large-scale criminal attacks. The attacks he mentioned included placing a 10-ton dynamite bomb at the headquarters of the Prosecutor General's Office in Santa Fe de Bogota's La Merced neighborhood.

Prosecutor General Gustavo De Greiff, who has become one of the most heavily escorted men in the country, rejected negotiations with the drug lord and ordered him to surrender unconditionally.

A thorough search for Escobar is being conducted in Medellin, Envigado, Itagui, La Estrella, and other Antioquia towns, where he is believed to be hiding and heading a group of paid assassins who have murdered 75 policemen since 28 October.

De Greiff told reporters on Thursday that the search for Escobar and his gunmen is "very intense" and noted that "although we cannot say he is surrounded, at least we can say he is under heavy seige."

When asked by a reporter if Pablo Escobar Gaviria's arrest was imminent, De Greiff answered: "We cannot know that, but it is what all Colombians want."

Army, Navy Reinforce Search

PA1501044893 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2300 GMT 13 Jan 93

[Text] It has been reported that 600 Army and Navy personnel have been assigned to bolster the force searching for Pablo Escobar throughout Aburra Valley. The soldiers will be sent to Medellin on the evening of 13 January. Miriam Ortiz reports the following:

[Ortiz] These soldiers are ready to capture Pablo Escobar. On the evening of 13 January, they will join the search that continues in Medellin. There is a combined total of 600 men; 200 marines and 400 military policemen. They will be under the command of the Army's 4th Brigade.

[Begin Army General Manuel Sanmiguel recording] The Defense Ministry, the General Command, and the Army commander decided that Medellin had to be reinforced, and this is being done. Force is needed, and all the forces are being integrated in this struggle. You can see that this is a joint effort that involves the Army, police, and now the Navy. The Navy has joined the struggle against drug-trafficking to bring calm to Medellin. [end recording]

According to the commander of the Navy, the marine company that was supposed to arrive in Medellin on 1 February has moved up its mobilization plans. According to the Navy commander, logistic support is very important.

[Begin Vice Admiral Hernando Garcia, Navy commander, recording] Depending on the situation and the mission that the 4th Brigade may be accomplishing at a given moment, the logistic requirements of that brigade may increase. This depends on the intensity of operations. There is no mathematical formula on this so the extent of the support depends on the demands posed by a given situation. [end recording]

These men will be leaving for Medellin this evening. They will do so aboard a Colombian Air Force plane.

Police Dismantle Alleged Medellin Cartel Center

PA1501154093 Santa Fe de Bogota EL TIEMPO in Spanish 11 Jan 93 p 8A

[Excerpts] Medellin—As part of the special forces operations in search of Pablo Escobar in Antioquia, members of the National Police Elite Force raided a luxurious ranch house in the hills of El Poblado, where an alleged Medellin Cartel operations center had been operating.

Judging from the material found there, the ranch house was used to plan car bomb attacks and assassinations of state security agents. It is suspected that the recent attacks on military posts on the outskirts of Medellin were planned there.

In the fields around the ranch, authorities found bomb making material. They also found police and Army uniforms, automobile license plates, communications equipment, and rifle ammunition. No one was arrested.

According to police, the operation began at 0830 on 10 January at Calandaima ranch house—apparently owned by Esau de Jesus Correa—on the San Lucas path, in the hilltop area of the exclusive El Poblado neighborhood, southeast of Medellin.

According to official spokesmen, the place was found thanks to intelligence information secured by security corps. [passage omitted on details of the residence]

Among the documents seized in the operation, authorities found flower shop cards with the names of Pablo Escobar and his family, Mario Henao, and other persons, who will be investigated. [passage omitted]

Authorities Claim Escobar 'Increasingly Isolated'

PA1501152793 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1630 GMT 14 Jan 93

[Report by Marcela Duran]

[Text] Pablo Escobar's organization is breaking up. According to authorities, Pablo Escobar has become increasingly isolated, to the extent that he has had to subcontract services because his past employees are either dead or do not want to work for him. Proof of this can be seen in Escobar's system of terrorist attacks. According to information from an arrested man, Escobar no longer handles a coherent organization. Instead he has had to resort to hiring common criminals.

Three independent groups prepare the terrorist attacks. The first group steals the cars and take them to farms near Envigado. At that point the second group, led by a man known as El Chunco, takes over. El Chunco is in charge of preparing the car bombs. His identity is unknown, even to the cartel members. When the cars are ready, radio pagers are used to contact the mid-level bosses—people like El Chopo [Mario A. Castano], Arete [Carlos Alzate Urguijo], and Comanche [Dayro A. Metaute]. El Chunco gets paid once the car bomb explodes. The third group is made up of three people, called combos. Their names are Castilla, Bello, and Aranjuez. Their job is to position the vehicles where they are to explode. They are young people who do this task for money. Their inexperience has caused some of them to fail. One example is the car bomb that exploded near the Pascual Guerrero Stadium and killed two terrorists.

To face up to Escobar Gaviria, a strange message has begun to circulate in Medellin. It asks the people to take up arms to fight against Escobar and his paid assassins. A group called Commandos For Peace in Colombia [Comandos Por la Paz de Colombia] threatens youths who work for Escobar. Their message states that these youths will be treated as enemies and each car bomb will prompt a reaction. The commandos' watchword is an eye for an eye and a tooth for a tooth.

Government Minister Villegas Interviewed

PA1501142293 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2300 GMT 13 Jan 93

[Report By Carlos Julio Betancur]

[Text] One thing Favio Villegas, Colombia's new government minister, has not lost is his smile. Success does not hide from people who do not hide a smile.

Favio Villegas Ramirez is the new government minister. His zodiac sign is Capricorn. He is from Pereira, and he is refreshing. He is a graduate of Pereira's Calasanz School. He is only 38 years old. He is married to Maria Claramont Dragon and has two children.

His work record has led him to Colombia's most important cabinet post while still a young man. He likes to play tennis, to read everything he can, and to dance. He would not talk about this, but he did discuss nicknames.

[Begin recording] [Betancur] Why are you called Galleta [cracker]?

[Villegas] I inherited that nickname. My father has been called Galleta all his life, and I was lucky enough to inherit the nickname. It could have been worse. At school I could have been called by any other nickname, but I was spared because I already had this one. [end recording]

As if by magic, Villegas can set aside the casual attitude of the man from Pereira and assume the formal poise of state minister. He is excited about his new challenge.

[Begin Villegas recording] I am optimistic that the Colombian state and society will be able to defeat subversion, the guerrillas, and violence in the near future. [end recording]

Villegas said he knows about Pablo Escobar's latest threatening letter but his resolve has not faded.

[Begin Villegas recording] This is a continuation of a permanent threat against society by narcoterrorist organizations, especially the Medellin Cartel. I think the state's only way to face this type of criminal organization is to continue strengthening the security organization, improving its image in the eyes of society, and seeking the support of citizens, a support it has been winning. [end recording]

Villegas, who is committed to the country and the government, will be sworn in on 14 January. He is certain the ministry he will lead will be a very hard cracker to chew on.

Takes Oath of Office

PA1401181493 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1630 GMT 14 Jan 93

[Interview with Government Minister Fabio Villegas by Guillermo Gonzalez at the Narino Palace and Yolanda Ruiz from the station's studios—live]

[Text] [Gonzalez] President Cesar Gaviria Trujillo swore in Fabio Villegas Ramirez as his new government minister. He is here with us. Your appointment has been highly controversial, chiefly among political sectors such as the followers of Ernesto Samper. Some leaders of that group have said they are willing to ask the president or, rather, ask you not to take this post because it hampers the elections and so forth. Will you be willing to resign, although you just took office today, so the political climate does not become cloudy?

[Villegas] I know some political sectors have voiced their concern regarding the government stance on the elections process that is beginning in the country. The government, in particular the government minister.... [pauses] I have clearly stated we will fulfill our constitutional and legal duty to offer guarantees to all political groups, parties, movements and everyone who is carrying out this activity within the law. Our wish is to offer all Colombians an election process that is totally aboveboard and devoid of any undue meddling by the government. We think that is in tune with the new reality of our institutions and the proposals to modernize the state that we have be promoting since 7 August 1990. We will not change that mode of conduct for any reason. All the political sectors, liberals, conservatives, and all the other movements can rest totally assured that the government will be impartial. It will also help them develop the procedures they may adopt to choose candidates for the various elected posts.

[Gonzalez] From our studios, here is our anchorwoman Yolanda Ruiz, who will ask a final question.

[Ruiz] Thank you. The storm generated by your appointment is not just related to the electoral climate. Are you ready to face opposition in the country now that the government has submitted major bills for debate?

[Villegas] I am prepared to defend the stances, strategies, and programs the government has been promoting since 1990, not just before the Congress but also before the public. I have been saying the government has a long task ahead of it and important initiatives to develop toward the future, all of which fall within the purview of the Government Ministry. We must continue governing the country. We have major difficulties in the fields of public order, violence, peace, and coexistence among citizens. We also have major initiatives to push through Congress and to continue advancing in the program to modernize and restore morality in public administration. In sum, we must continue working in the many months this government has left.

Acting Police Chief on Actions Against Cartel

PA1501002593 Santa Fe de Bogota Radio Cadena Nacional in Spanish 1200 GMT 13 Jan 93

[Text] We have statements by General Octavio Vargas Silva, acting commander of the National Police, about the criminals killed on 12 January in Medellin. Here is the report by RCN reporter Carlos Perdomo. Good morning.

[Perdomo] Good morning. With regard to the operations conducted by the National Police against organized crime in the city of Medellin, we talked to Gen. Octavio Vargas Silva, National Police acting commander, particularly about the last operation in which the leader of a group of hired assassins was killed. These operations were launched to counter terrorism in the capital of Antioquia Department.

In the following, Gen. Vargas Silva explains details about the operation conducted in the last few hours in Medellin.

[Vargas] In the afternoon hours in the city of Medellin, on 88th Avenue and 39th Street, three individuals fought with National Police personnel. Two of them were killed by the policemen, and the other one was arrested. The two criminals who were killed carried 9-mm guns.

One of them was Juan Carlos Ospina, alias El Enchufe, whose criminal record includes being an important member of the Medellin Cartel organization and carrying out terrorist attacks aimed at journalists and prominent state figures. In addition, he was involved with the [words indistinct] that took place a few days ago in La Palmas, where one retired police officer, a Medellin

Municipality employee, and the wife of the former were killed. He is also implicated in the death of Captain (Fernando Posada Hoyuz), who served as intelligence chief of [one second break in reception] Dijin [Judicial Police and Investigations Directorate] of the country. He was also accused of killing a journalist. He is also a leader of a Cartel gang.

[Perdomo] Gen. Vargas Silva, was this operation achieved thanks to [one second break in reception] citizens' cooperation?

[Vargas] Yes, the public indeed cooperated with us. We are undoubtedly receiving important assistance through telephone calls and letters. We are pleased to note the cooperation [two second break in reception] public force in this search, as a result of the telephone calls by the public.

[Perdomo] Do you think that police authorities are closing in on Pablo Escobar, as it seems that everyday one of his closest lieutenants is being killed?

[Vargas] I definitely think so. Important arrests of persons tied to his organization are being made. The Prosecutor's Office is also doing a very important and professional job. We think, from the way in which the government has decided to face drug traffickers, success will be accomplished in the short term.

[Perdomo] General, you disclosed that Juan Carlos Ospina, alias El Enchufe, was gunned down in this operation, together with another criminal. Do you know his name?

[Vargas] Yes, we are still checking his fingerprints. He carried an identity card that corresponds to (Byron Arcila Valdez). However, since the fingerprint check is not completed, we cannot confirm whether he was indeed (Byron Arcila). Anyway, at this time, laboratory studies are being conducted to determine if the body is that of (Arcila).

[Perdomo] Gen. Vargas, what can you say with regard to a third person who allegedly is under arrest?

[Vargas] We are trying to identify him. He is being held by the authorities in order to carry out the corresponding investigation.

[Perdomo] General, when the elite force arrived at the place where El Enchufe was hiding, did they find resistance? Is that why there was a clash?

[Vargas] Yes, there was a clash. When the police arrived there was a clash that produced the aforementioned results.

[Perdomo] Gen. Vargas Silva, you have said that the criminal known as El Enchufe is also accused of having participated in the blockage [break in reception]. What else is known about that affair which has surprised the public as it has been said that Pablo Escobar could have also been there?

[Vargas] Yes, according to reports from some members of this criminal organization, Pablo Escobar could have also been at that blockade.

[Perdomo] These were statements by Gen. Octavio Vargas Silva, acting director of National Police.

Ecuador

Duran-Ballen Visits Congress, Calls for Unity

PA1401180093 Quito Voz de los Andes in Spanish 1100 GMT 12 Jan 93

[Report by Eva Valencia]

[Text] The executive and legislative branches met at the congressional building to confirm their faith in the country's progress and democracy. In an unprecedented visit to Congress, President Sixto Duran-Ballen presented to the legislative branch president a list of the names of candidates for the Supreme Court of Justice. President Duran-Ballen said his visit will strengthen the unity of the two government branches.

[Begin Duran-Ballen recording] I have disregarded tradition by asking the president of Congress to allow me to attend a plenary meeting in the next few days to commemorate the new year. Continuing the course I have taken in the past few months, I want to send a message to the country from the national Congress. The president of the Congress will set the date for my forthcoming visit. I believe my actions will ratify that both the legislative and the current executive branches want to work together for the country's advancement. [end recording]

The president said the president of Congress will tell him when he can return to Congress and give his national address. All groups in the country have reacted with satisfaction to the president's visit to the legislative branch.

President Meets With Leaders of Demonstration

PA1501134293 Quito Voz de los Andes in Spanish 1100 GMT 14 Jan 93

[Text] President Sixto Duran-Ballen spoke briefly on 13 January with Indians, peasants, and workers of the Ecuadoran Social Security Institute. These groups had staged a large demonstration to protest plans to privatize the Rural Social Security Fund. The labor and peasant leaders talked with the president and the government minister. They presented to the president a list of demands, which included a call for respect of the Social Security Institute's autonomy, and for the government to halt the measures it is taking against the institution.

The group asked the president to dismiss immediately Social Welfare Minister Mariana Argudo.

New Air Force Commander General Sworn In

PA1501140493 Quito Voz de los Andes in Spanish 1100 GMT 13 Jan 93

[Text] General Marco Chavez has been sworn in as new commander general of the Ecuadoran Air Force [FAE]. Gen. Chavez is an experienced military officer and has worked at the FAE for many years. He said he will try to implement new actions to benefit the corps.

[Begin Chavez recording] Legal provisions and regulations will be respected and we will demand discipline and strict fulfillment of duties. [end recording]

Meanwhile, Gen. William Birkett, outgoing commander general, said the FAE has improved at every level in recent years.

[Begin Birkett recording] We have increased all the FAE's operational capability, equipment, systems, and facilities; we have improved its education process; and we have ostensibly achieved progress in air navigation safety. [end recording]

Peru

MRTA Claims Attack on Government Palace

PA1401233093 Madrid EFE in Spanish 2250 GMT 14 Jan 93

[Text] Lima, 14 Jan (EFE)—Police sources have reported that members of the Tupac Amaru Revolutionary Movement (MRTA), of Che Guevarist ideology, claimed credit on 14 January for an unsuccessful attack on the Government Palace in Lima that left one person injured.

The "Simon Nunez Command" of the MRTA tried to fire a rocket at the front of the Government Palace from a point some 100 meters across the street, according to an MRTA activist who called the police telephone switchboard.

The person injured was an adolescent who was near the site where the two terrorists were attempting to fire the rocket with a rifle. The mechanism failed and there was an explosion.

With the failure of the attempt, the two terrorists fled on a motorcycle that was subsequently found by the police abandoned some 400 meters from the Government Palace, according to sources cited by the state ANDINA NEWS AGENCY.

Shining Path Detonates 50 Explosions in Ayacucho

PA1501014393 Madrid EFE in Spanish 0104 GMT 15 Jan 93

[Text] Ayacucho (Peru), 14 Jan (EFE)—Police sources on 14 January reported that 50 explosions occurred over the night of 13-14 January in Ayacucho, in a new effort by the Maoist Shining Path to terrorize the population before the 29 January municipal elections.

The explosions, in which two persons sustained minor injuries, occurred on the outskirts of the city and had no definite targets even though the antiterrorist police post, located in downtown Ayacucho—located 575 km southeast of Lima—was attacked with explosives. No casualties or damage occurred.

The terrorists also put up signs at La Picota hill, located east of this Andean city. The signs included slogans that reject the 29 January municipal elections in Peru and Shining Path slogans.

Ayacucho police reported two persons sustained minor injuries, but no damage was caused despite the large-scale terrorist activity with explosives. A police spokesman said the attacks are part of the Maoist band's efforts to scare the population so no one votes in the 29 January municipal elections.

Seventeen candidates will run for the post of Ayacucho mayor and, according to political observers, this proves people are not afraid of the Shining Path threats.

Police, Army Break Up CGTP Demonstration

PA1501050193 Paris AFP in Spanish 0403 GMT 15 Jan 93

[Text] Lima, 14 Jan (AFP)—Union spokesmen report that on 14 January at least five persons were injured and 20 arrested by police who used tear gas and water cannons to break up a workers march in downtown Lima.

The march, organized by the General Confederation of Peruvian Workers (CGTP), demanded that President Alberto Fujimori's government increase salaries and annul a decree that cut back on workers achievements, leader Valentin Pacho reported.

Police and Army units surrounded the 2 May Plaza, the traditional venue for workers protests in Peru, to prevent demonstrators from meeting. The march, according to police, did not have the authorities' permission.

The workers managed to meet in other places in downtown Lima and marched toward the Constituent Congress to place their demands. But before they arrived they were blocked by police, who broke up the march with tear gas and water cannons, CGTP leaders said. They reported that five workers were slightly injured and about 20 were arrested.

The CGTP leadership was able to deliver a document to Congress President Jaime Yoshiyama, whom they asked to issue laws that eliminate the recent government decrees "harmful to the working class," Pacho said.

President Fujimori on New Ministers, CCD

PA1401161693 Lima Global de Television Network in Spanish 0000 GMT 14 Jan 93

[Text] The industry minister and the transportation, communications, housing and construction minister will be sworn in on 15 January, President Alberto Fujimori announced, but he did not reveal their names. He also said he will ask the Constituent Democratic Congress [CCD] to review the law decrees issued between the date of the installation of the National Emergency and Reconstruction Government and the installation of the CCD.

[Begin recording] [Fujimori] We have several candidates, but we must find the ones with the right qualities for these positions.

[Unidentified reporter] Have Luis Vega Monteferri and Luis (Havanacoso) been rejected?

[Fujimori] Please excuse me, Messrs. reporters, but the names mentioned did not originated at the Government Palace but in some story with which I am not familiar.

[Reporter] When will the names be known?

[Fujimori] I expect that we could swear them in on 15 January, or 16 January at the latest.

[Reporter] Have you spoken to the new economy minister about the tasks he has undertaken in Washington?

[Fujimori] Yes. The contacts with the International Monetary Fund and the multilateral organizations continue as planned with some small changes that I believe are important for the country. Former Minister Bolona had already laid the groundwork, but some of our suggestions have been accepted.

Let us not forget that this is an economic program that spans three years, so the government, the country, and the productive sectors require an economic program that may grant some [word indistinct].

[Reporter] Mr. President, you have shown a lot of faith in polls. The polls are not showing the official candidate for the municipal elections as a winner by too wide a margin. What is your opinion about that?

[Fujimori] We still have two weeks to go. Do not forget that three weeks before 8 April [1990], I was not in the polls, either [words indistinct]. The tour on which you accompanied me through La Union avenue showed us that the people strongly support him.

[Reporter] Are the television advertisements financed by the government?

[Fujimori] The government has not financed any electoral campaign. I expect that in due time Mr. Yoshiyama will announce his television advertisement expenses. As you are all media representatives, you will probably learn this directly and make it public.

[Reporter] What do you think of the work done by the [words indistinct]

[Fujimori] The executive branch is going to present a package of bills. Several of those bills refer to law decrees I promulgated but which we believe can be improved. I believe our prospects are favorable. I think work will be carried out at the same speed; the one needed to implement changes required by the country to overcome the crisis. [end recording]

Police Arrest 20 People, Seize Explosives

PY1401144493 Lima EXPRESO in Spanish 30 Dec 92 p A14

[Summary] As a result of a massive antiterrorist operation in the last few hours, Counterterrorism Directorate, Dincote, troops arrested 20 people. One of the detainees is the driver of a stolen Toyota in which 80 kg of ammonium nitrate-fuel oil blasting agents, 5 kg of dynamite, a .32-caliber Ross revolver, and several grenades were found. Another detainee is Cynthia Ocampo Ponce, chairperson of the "Regional Committee for the Aid of Peru's Poor Children," who was arrested on 30 December at a house at 777 Santa Cruz Street, in Jesus Maria, where Dincote troops found 20 kg of ammonium nitrate-fuel oil blasting agents and 1 kg of dynamite.

Uruguay

Measures To Cut Number of Public Employees

PY1401212593 Madrid EFE in Spanish 2111 GMT 13 Jan 93

[Text] Montevideo, 13 Jan (EFE)—Alvaro Carbone, labor and social welfare minister, reported today that Uruguayan President Luis Alberto Lacalle has approved measures to rationalize state expenditures and cut the number of public employees.

Among the measures adopted are the elimination of some ministerial departments and a new system of incentives for the early retirement of public officials under 50 years of age who have more than five years service. If they resign they will receive a lump sum 15 times their salaries.

The government will also promote the transfer of public employees from the public to the private sector. Those contracted by private companies will have their posts held open for one year with the right to return at the end of that period.

The measures also include the disbanding or reorganization of some ministerial departments.

"Each ministry is unique, but these measures can be implemented in them all, improving their efficiency and reducing expenditures," the minister said.

Venezuela

Bishops Conference Attacks Government Program

PA1401181793 Hamburg DPA in Spanish 1340 GMT 13 Jan 93

[Text] Caracas, 13 January (DPA)—The Venezuelan Catholic Church issued an unusual attack against President Carlos Andres Perez's economic program, but rejected statements concerning its alleged participation in the failed coup attempt at the end of November 1992.

In a document published 13 January, after the conclusion of the 59th Venezuelan Bishop's Conference in the Andean city of Merida, the Catholic bishops urged the government to end the growing poverty of the lower and middle classes.

The document states: "Even though the macroeconomic indicators may be positive, overall growth has not rebounded into a more equitable distribution in the daily lives of our citizens."

The bishops questioned statements by General Francisco Visconti, one of the leaders of the 27 November rebellion, who indicated from exile in Peru that the church was aware of plans to overthrow Perez and install a revolutionary government junta.

Merida Archbishop Baltazar Porras urged Visconti to offer more details with respect to his statements, since the church is most interested in clarifying the situation.

Among the social consequences of the economic policies, the bishops outlined the high cost of living, the poor quality of public services, and the drop in purchasing power.

"All this means that the division between the rich and the poor has become wider," the bishops pointed out in their document. According to the church, the government "neoliberal economic package" favors capital and subordinates the person to profits.

The bishops called for the implementation of radical social reforms, declaring that the solution to the crisis not only depends on "illusions" of economic growth, but in "overall development" that takes into consideration material well being, social solidarity, and political participation.

During 1992, Venezuela recorded 8.5 percent economic growth—less than in 1991—and a 31.5 percent inflation rate. The Perez administration says that the positive macroeconomic indicators will soon rebound, leading to an increase in the quality of life.

Guyana

Green Walks Out of Disciplinary Hearing

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[Text] Georgetown, Guyana, Jan 14, CANA—A row in Guyana's main opposition People's National Congress (PNC) has sharpened, with former prime minister Hamilton Green walking out of a closed-door hearing called by a disciplinary committee probing charges levelled against him.

An official who said he was briefed by Green reported that the former deputy PNC leader demanded a number of pre-conditions, including the convening of a public hearing open to the press, defense counsel, and the right to cross examine and call witnesses before he would appear before the committee.

Green, in a statement, questioned the composition of the disciplinary committee and also demanded to know who appointed it.

"The composition of this special committee—this is a matter of such great concern to party members, supporters, and people at home and abroad, that we must ensure that the adjudicators are competent, honest, and impartial," he told the opening session.

"Additionally, the process must be a proper one from the very onset of things, and I must be so satisfied, for the tradition of being adjudged by your peers must be observed," he added.

Green told chairman of the disciplinary committee, Dr. Ptolemy Reid: "I wish to remind you that you are likely to be required as a witness. My letter to you dealt with this matter." He also asked the committee to "make arrangements to have available as witnesses former (U.S.) President Jimmy Carter" and others, including Rudy Collins, past chairman of the elections commission, and former finance minister Carl Greenidge.

Green stepped down as deputy PNC leader last month, saying he had philosophical differences with party leader Desmond Hoyte, former Guyana president. Hoyte said Green had publicly slandered him.